

CITY AUDITOR'S OFFICE



FY 02-03 ANNUAL AUDIT RECOMMENDATION FOLLOW-UP

Report No. CAO 2600-0304-05

June 29, 2004

**RADFORD K. SNELDING, CPA, CIA, CFE
CITY AUDITOR**

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FY 02-03 ANNUAL AUDIT RECOMMENDATION FOLLOW-UP REPORT CAO 2600-0304-05

BACKGROUND

Since the inception of the audit follow-up, the City Auditor's Office has reviewed 758 audit recommendations requiring corrective action from various departments throughout the City. The current audit follow-up consisted of 220 audit recommendations including 73 carryover recommendations from fiscal year 1999-2000, 16 carryover recommendations from fiscal year 2000-2001, 43 carryover recommendations from fiscal year 2001-2002, and 88 new audit recommendations from fiscal year 2002-2003. The recommendations were sent to each respective department for a status update.

OBJECTIVES

Our objectives were to determine progress made toward implementation of the recommendations contained in each report and review evidence supporting recommendations identified as being complete.

Much of the benefit from audit work is not in the findings reported or the recommendations made, but in their effective resolution. City management is responsible for addressing audit recommendations. This follow-up is a process to help management fulfill this responsibility.

SCOPE AND METHODOLOGY

Our follow-up was in accordance with Operating Instruction O.I.A. 050 of the City Auditor's Office Operating Instructions Manual. The scope of our follow-up included a determination as to whether the audit recommendations had been implemented during the period subsequent to the release of each report. City management was asked to identify the status of each recommendation using the following classifications:

- ◆ **Complete** The recommendation was implemented or some other action was taken to effectively correct the deficiency.
- ◆ **No Longer Applicable** The recommendation no longer applies to the entity due to organizational changes, procedural changes, etc.
- ◆ **Partially Complete** The recommendation was implemented or some other action has been taken; however, the deficiency has not been corrected or only part of the recommendation has been implemented.
- ◆ **No Progress** No Action has been taken.

FY 02-03 Annual Audit Recommendation Follow-up
Report No. CAO 2600-0304-05
June 29, 2004

The following methodology was applied when management's follow-up response indicated:

Complete or No Longer Applicable

- Interview appropriate personnel.
- Obtain and evaluate evidence supporting management's classification of recommendation.

Partially Complete or No Progress

- Interview management for clarification when necessary.
- Identify obstacles that have prevented completion of the recommendation, for example system implementation issues.

CONCLUSION

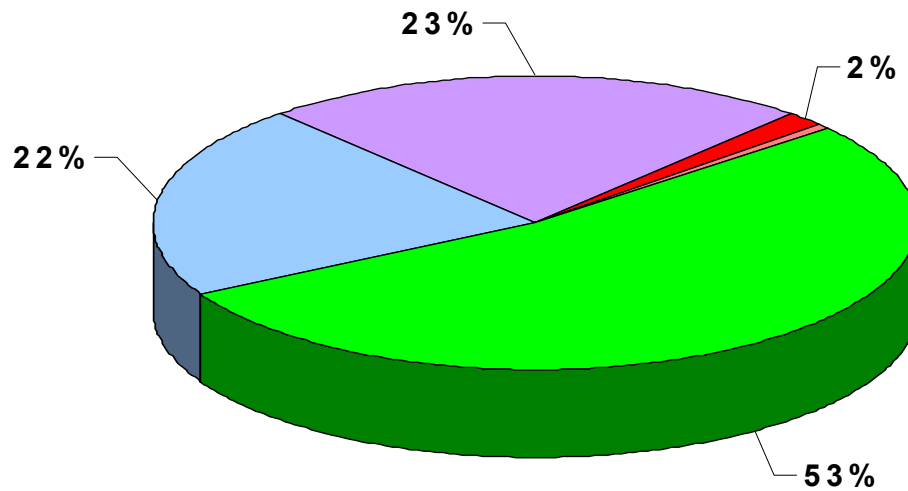
Of the 220 audit recommendations included in the current follow-up, 117 or 53% have been completed, 98 or 45% remain partially complete, and 5 or 2% have had no progress. Of the 758 recommendations reviewed since the inception of the audit follow-up, 655 or 86% have been completed, 98 or 13% remain partially complete, and 5 or 1% have had no progress. Among the 103 recommendations that are partially complete or no progress, 52 or 50 % are incomplete due to **system** implementation issues.

The accompanying pie charts show:

- the status of the current period's 220 recommendations.
- the status of the 758 recommendations reviewed since the beginning of the audit follow-up program.
- the status of the 758 recommendations by department reviewed since the beginning of the audit follow-up program.

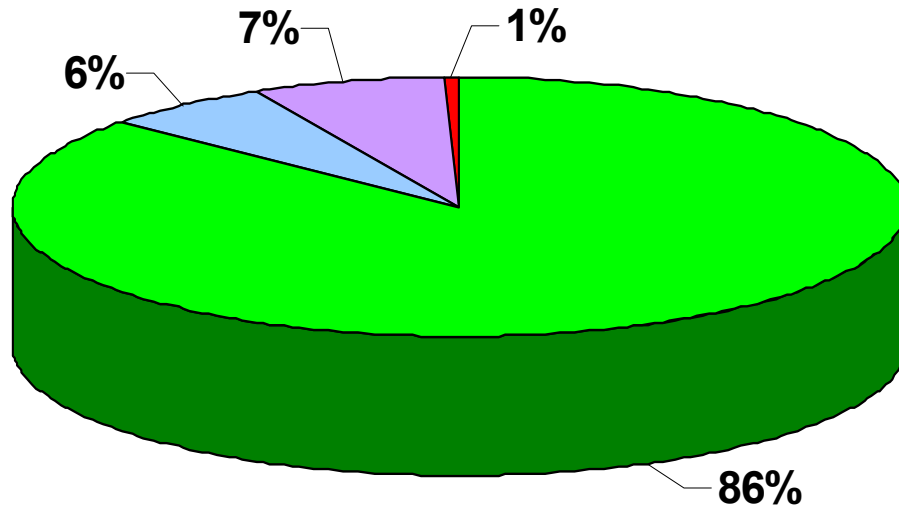
While city management has made progress toward the implementation of the audit recommendations contained in the various reports, additional efforts should be made in finalizing incomplete recommendations.

220 Recommendations Fiscal Year 2002-2003



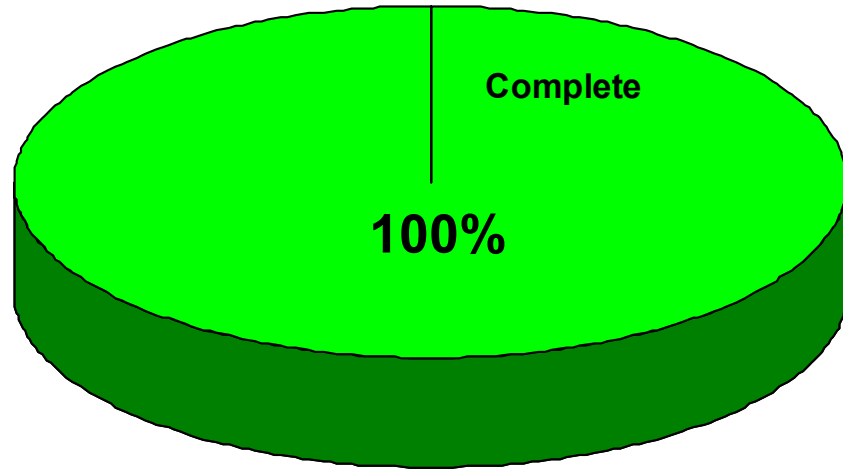
Fiscal Year	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	No Progress SYSTEM	Total
1999-2000	30	7	33	3	0	73
2000-2001	6	3	7	0	0	16
2001-2002	28	5	8	1	1	43
2002-2003	53	32	3	0	0	88
Total	117	47	51	4	1	220

758 Recommendations Fiscal Years 1999 - 2003



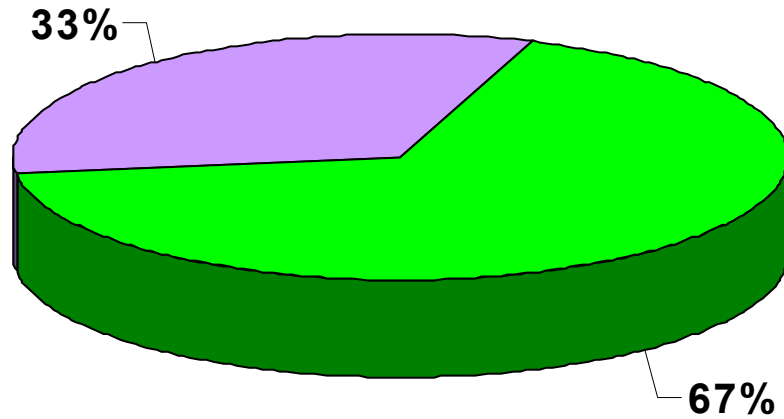
Fiscal Year	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	No Progress SYSTEM	Total
1999-2000	356	7	33	3	0	399
2000-2001	103	3	7	0	0	113
2001-2002	143	5	8	1	1	158
2002-2003	53	32	3	0	0	88
Total	655	47	51	4	1	758

Animal Foundation Inc.



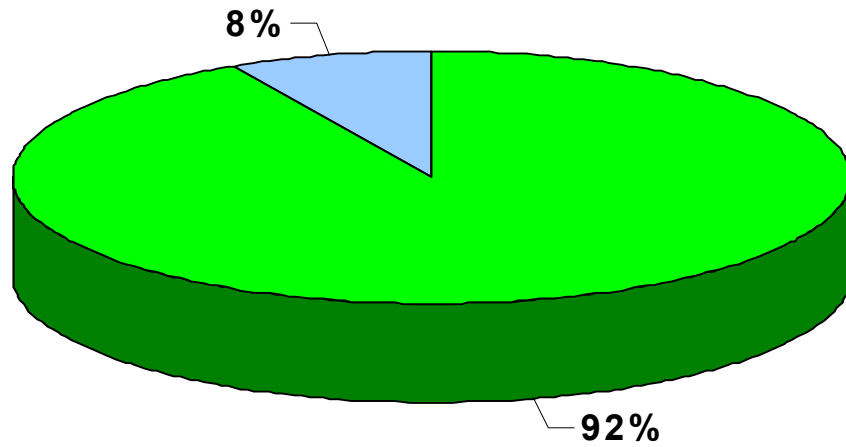
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
2001-2002	2300-0102-05	4	0	0	0	4
2001-2002	2300-0102-06	7	0	0	0	7
Total		11	0	0	0	11

Building and Safety



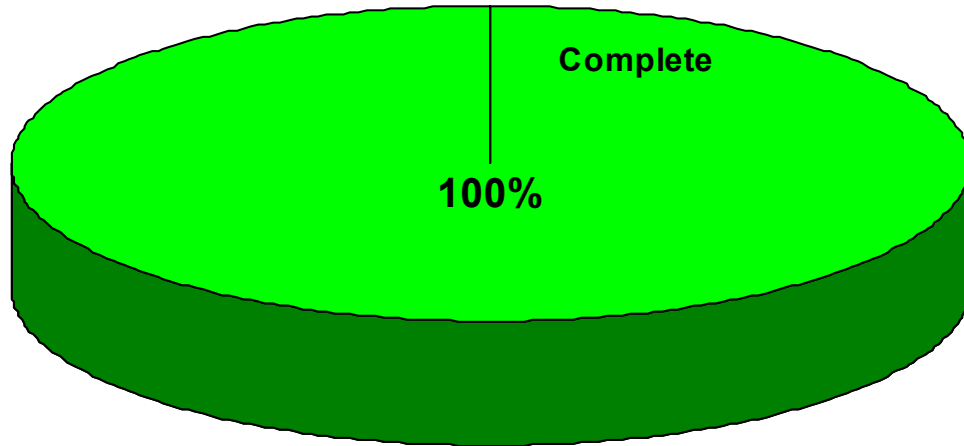
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-04	36	0	18	0	54
2000-2001	2400-0001-01	1	0	0	0	1
Total		37	0	18	0	55

City Manager



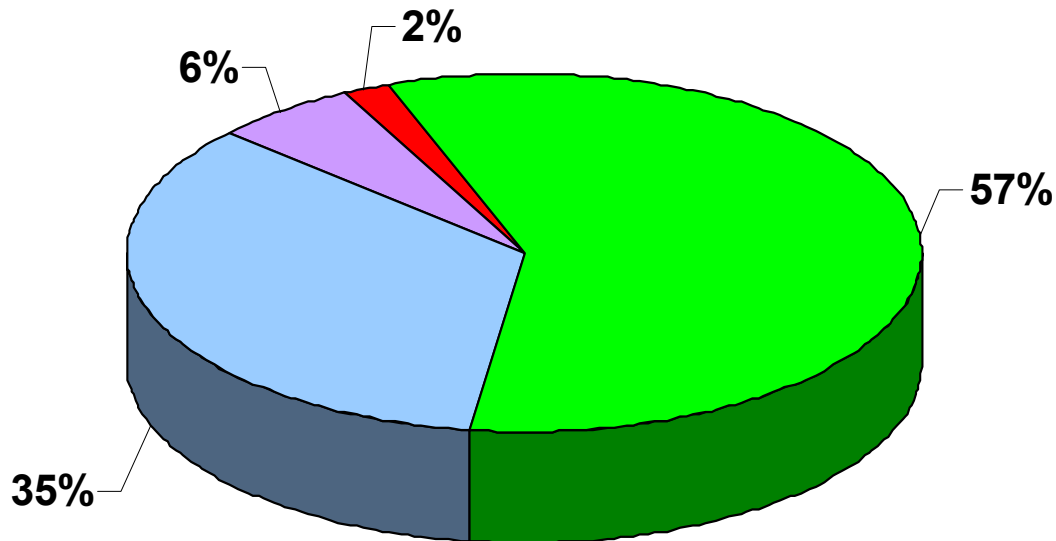
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-01	3	0	0	0	3
1999-2000	1999-02	4	0	0	0	4
1999-2000	1999-09	4	1	0	0	5
2000-2001	2400-0001-01	2	0	0	0	2
2000-2001	1401-0001-02	3	0	0	0	3
2000-2001	1502-0001-05	2	0	0	0	2
2000-2001	501-0001-06	1	0	0	0	1
2001-2002	601-0102-04	1	0	0	0	1
2002-2003	1701-0203-03	2	1	0	0	3
2002-2003	602-0203-04	1	0	0	0	1
2002-2003	502-0203-05	1	0	0	0	1
Total		24	2	0	0	26

Detention and Enforcement



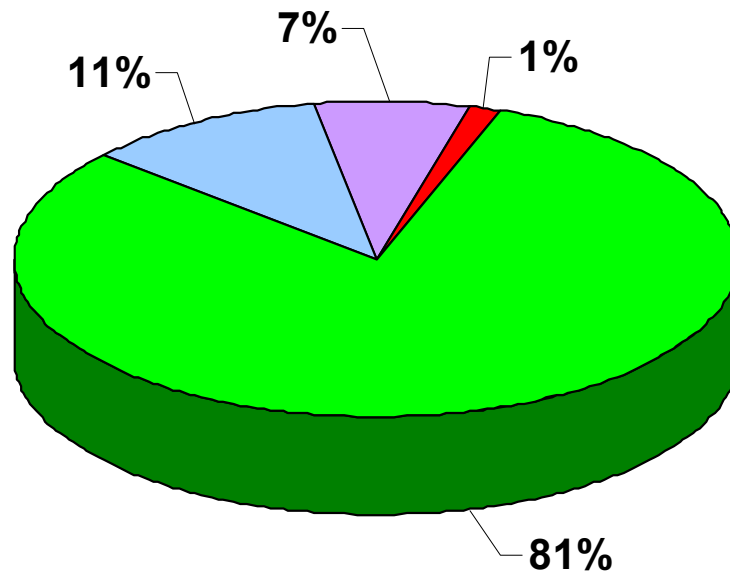
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-02	2	0	0	0	2
2000-2001	1401-0001-02	6	0	0	0	6
2001-2002	2300-0102-05	3	0	0	0	3
2001-2002	2300-0102-06	3	0	0	0	3
Total		14	0	0	0	14

Field Operations



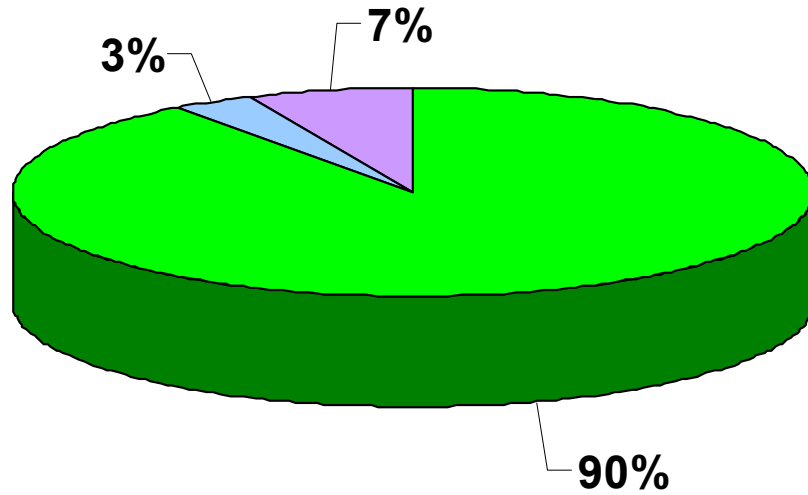
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	No Progress SYSTEM	Total
1999-2000	1999-03	3	0	0	0	0	3
1999-2000	1999-10	0	2	0	0	0	2
2001-2002	1503-0102-03	18	2	1	0	1	22
2002-2003	1701-0203-03	9	14	2	0	0	25
Total		30	18	3	0	1	52

Finance and Business Services



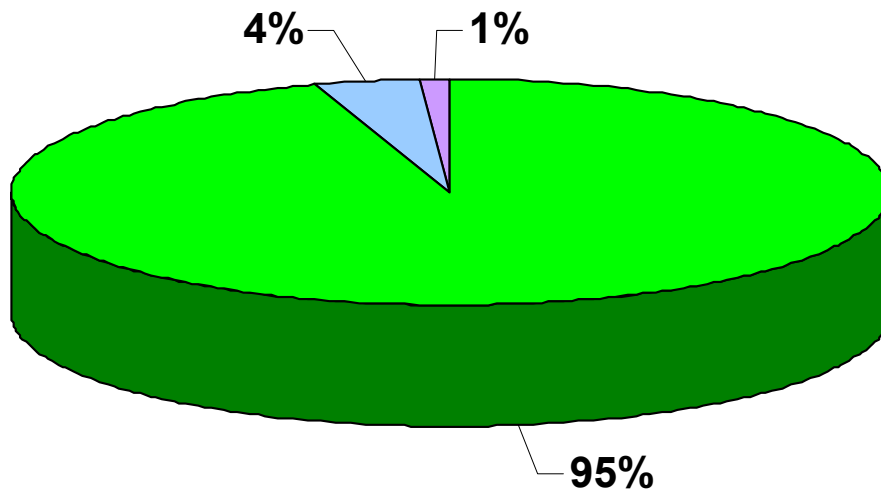
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-01	12	0	0	1	13
1999-2000	1999-02	1	0	0	0	1
1999-2000	1999-03	10	0	0	0	10
1999-2000	1999-09	2	0	0	0	2
1999-2000	2000-01	14	1	2	0	17
2000-2001	2400-0001-01	2	0	0	0	2
2000-2001	1401-0001-02	24	0	5	0	29
2001-2002	1501-0102-02	6	1	3	0	10
2001-2002	601-0102-04	18	1	0	0	19
2001-2002	2002-0102-10	15	1	0	1	17
2002-2003	602-0203-04	13	7	0	0	20
2002-2003	502-0203-05	1	0	0	0	1
2002-2003	2200-0203-06	0	5	0	0	5
Total		118	16	10	2	146

Fire and Rescue



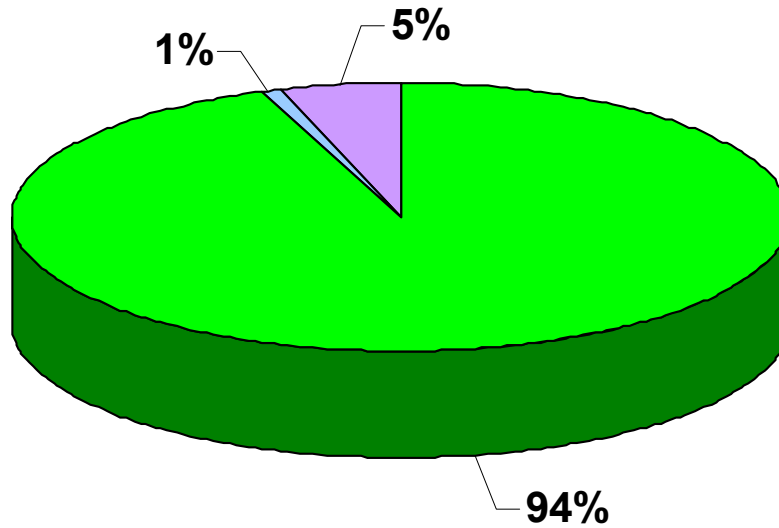
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-08	27	1	2	0	30
Total		27	1	2	0	30

Human Resources



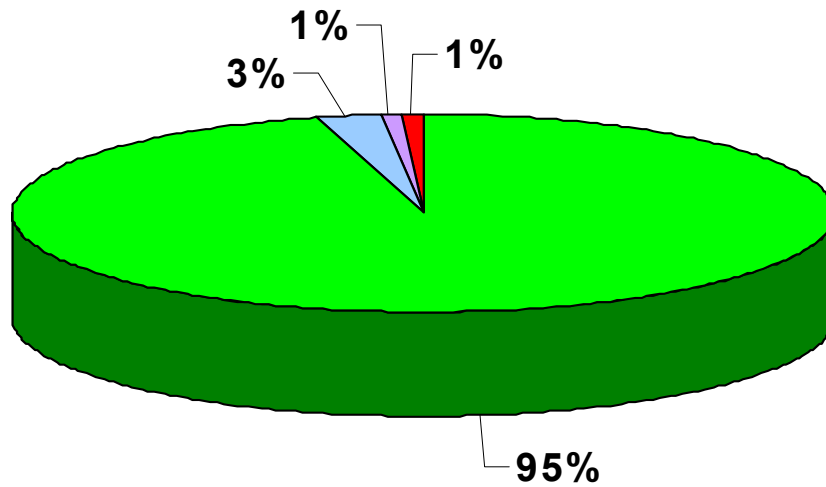
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-02	4	0	0	0	4
1999-2000	1999-03	3	0	0	0	3
1999-2000	1999-09	2	0	0	0	2
1999-2000	2000-01	32	0	0	0	32
2000-2001	501-0001-06	30	1	1	0	32
2002-2003	502-0203-05	23	3	0	0	26
Total		94	4	1	0	99

Information Technologies



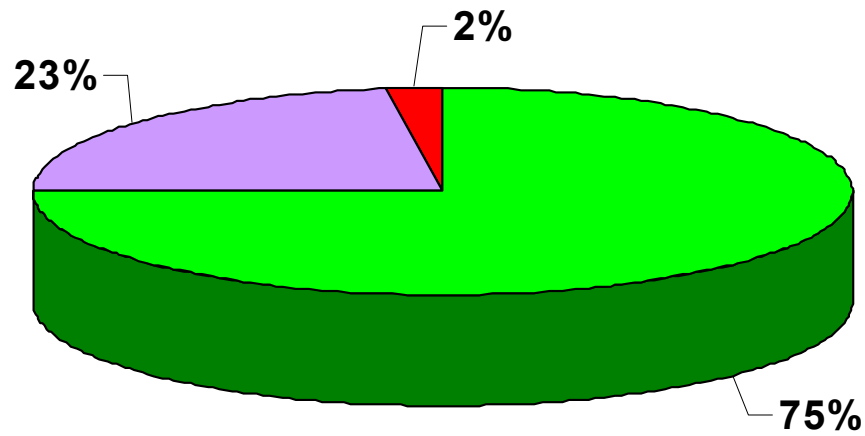
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-02	45	1	0	0	46
1999-2000	1999-06	18	0	0	0	18
1999-2000	2000-01	17	0	2	0	19
2001-2002	2101-0102-09	33	0	4	0	37
Total		113	1	6	0	120

Leisure Services



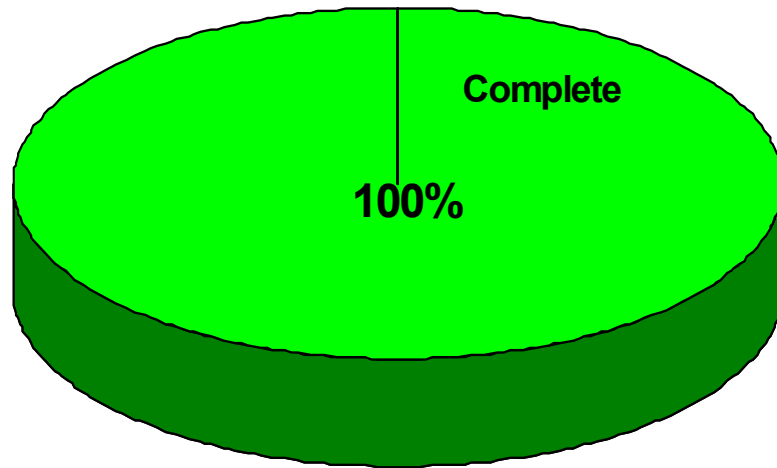
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-03	3	0	0	0	3
1999-2000	1999-09	53	1	0	1	55
1999-2000	1999-10	29	0	0	0	29
2000-2001	2400-0001-01	2	0	0	0	2
2001-2002	2300-0102-01	7	0	0	0	7
2001-2002	1601-0102-07	17	0	0	0	17
2002-2003	1702-0203-03	3	2	1	0	6
Total		114	3	1	1	119

Municipal Court



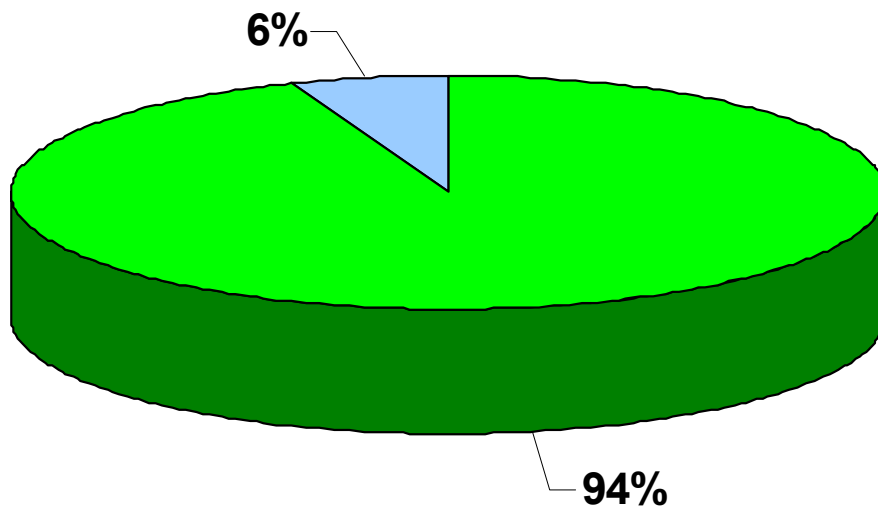
Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-07	24	0	9	1	34
2000-2001	2300-0001-03	9	0	1	0	10
Total		33	0	10	1	44

Planning and Development



Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
1999-2000	1999-05	8	0	0	0	8
Total		8	0	0	0	8

Public Works



Fiscal Year	Report #	Complete	Partially Complete	Partially Complete SYSTEM	No Progress	Total
2000-2001	1502-0001-05	21	2	0	0	23
2001-2002	1501-0102-02	9	0	0	0	9
2001-2002	2002-0102-10	2	0	0	0	2
Total		32	2	0	0	34

DETAIL STATUS

Building & Safety

1999-04 Building & Safety Department

			STATUS	CLASSIFICATION	PAGE
A. 1.	i	Permits System	Partially Complete	System	24
A. 1.	ii	Permits System	Partially Complete	System	25
A. 2.	i	Cash Receipts	Partially Complete	System	26
A. 2.	ii	Cash Receipts	Partially Complete	System	27
A. 3.	i	Plan Review and Approval	Partially Complete	System	28
A. 4.	i	Express Plan Check Program	Partially Complete	System	29
A. 4.	ii	Express Plan Check Program	Partially Complete	System	30
A. 5.	i	Complaint Processing	Partially Complete	System	31
A. 5.	ii	Complaint Processing	Partially Complete	System	32
A. 5.	iii	Complaint Processing	Partially Complete	System	33
A. 6.	i	Appeals Process	Partially Complete	System	34
A. 6.	v	Appeals Process	Partially Complete	System	35
B. 3.		Temporary Final Inspections	Partially Complete	System	36
B. 5.	ii	Work Performed Without A Permit	Partially Complete	System	37
B. 6.	i	Certificates Of Occupancy	Partially Complete	System	38
B. 6.	ii	Certificates Of Occupancy	Partially Complete	System	39
B. 6.	iii	Certificates Of Occupancy	Partially Complete	System	40
C. 2.	ii	Inspection Re-Fees	Partially Complete	System	41

City Manager

1999-09 Department of Leisure Services - Recreation Division

C. 2.	i	Vending/Corporate Sponsorship	Partially Complete		42
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1701-0203-03 Audit Of Parks And Open Spaces

4.	3.	Facility and Equipment Security	Partially Complete		43
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Field Operations

1999-10 Department of Leisure Services - Recreation Division – Community Schools

D. 2.	i	Turf Maintenance of Public School Sites	Partially Complete		44-45
D. 2.	ii	Turf Maintenance of Public School Sites	Partially Complete		45-46

1503-0102-03 Audit of Fleet and Transportation Services

2.	4.	Accountability For Vehicle Abuse	Partially Complete		46
4.	1.	Housing Authority Contract	Partially Complete		47
8.		Underutilized Vehicles	Partially Complete	System	48

Field Operations

1503-0102-03 Audit of Fleet and Transportation Services

			STATUS	CLASSIFICATION	PAGE
9.	2.	Compressed Natural Gas (CNG) Usage Tracking	No Progress	System	49

1701-0203-03 Audit of Parks And Open Spaces

1.		Standard Operating Procedures	Partially Complete		50
2.	3.	Park Security	Partially Complete		51
3.		Park Signage	Partially Complete		52
4.	1.	Facility and Equipment Security	Partially Complete		53
6.		Property Damage Reporting	Partially Complete		53
8.	1.	Review of Design Standards and Park Designs	Partially Complete		54
8.	2.	Review of Design Standards and Park Designs	Partially Complete		54
9.	1.	Public Complaints	Partially Complete	System	55
9.	2.	Public Complaints	Partially Complete	System	56
10.	3.	Park Reservations	Partially Complete		56
10.	7.	Park Reservations	Partially Complete		57
10.	8.	Park Reservations	Partially Complete		57
11.	1.	Park Ambassador Program	Partially Complete		58
11.	2.	Park Ambassador Program	Partially Complete		58
12.	2.	ADA Standards Compliance	Partially Complete		59
13.		Allocation of Manpower	Partially Complete		60

Finance & Business Services

1999-01 Office Supplies Contract Special Audit

6.	a	Purchasing Policy And Procedures	No Progress		61
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2000-01 Citywide Payroll Process

B. 2.	i	Payroll Reports	Partially Complete	System	62
B. 2.	ii	Payroll Reports	Partially Complete	System	63
C. 2.	i	Incentive Compensation For Appointive Employees	Partially Complete		64

1401-0001-02 Audit of Parking Enforcement and Collections

1.	1.	Delinquent Parking Citation Collections	Partially Complete	System	65-66
6.	1.	Parking System Limitations	Partially Complete	System	66
6.	2.	Parking System Limitations	Partially Complete	System	67
9.	3.	Parking Planning, Coordination, and Oversight	Partially Complete	System	68
14.	1.	Parking Hearings	Partially Complete	System	69

Finance & Business Services

1501-0102-02 Audit of Wastewater Pollution Control Facility and Sewer Services

			STATUS	CLASSIFICATION	PAGE
A. 1.	3.	North Las Vegas Wastewater Treatment Fees	Partially Complete		70
B. 2.	1.	Sewer Fee Billings	Partially Complete	System	71
B. 4.	1.	Performance Reports	Partially Complete	System	72
B. 4.	2.	Performance Reports	Partially Complete	System	73

601-0102-04 Audit of City Investments

6.	1.	Proficiency / Training of Backup Investment Personnel	Partially Complete		74
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2002-0102-10 Audit of Professional Services Contracts

1.	1.	Professional Services Policy and Procedures	Partially Complete		75
1.	2.	Professional Services Policy and Procedures	No Progress		76

602-0203-04 Audit of Special Improvement District Administration

2.	3.	Oversight and Coordination Responsibilities	Partially Complete		77
4.	1.	Policies and Procedures	Partially Complete		78
4.	2.	Policies and Procedures	Partially Complete		79
6.	1.	Fee Waivers	Partially Complete		80
7.	1.	Foreclosure Sales	Partially Complete		81
8.	1.	Certificate Redemption	Partially Complete		82
9.	2.	Account Reconciliations	Partially Complete		83

2200-0203-06 SPECIAL REPORT: Unannounced Petty Cash Counts

1.	1.	Unannounced Petty Cash Counts	Partially Complete		84
1.	2.	Unannounced Petty Cash Counts	Partially Complete		85
1.	3.	Unannounced Petty Cash Counts	Partially Complete		86
1.	4.	Unannounced Petty Cash Counts	Partially Complete		87
1.	5.	Unannounced Petty Cash Counts	Partially Complete		88

Fire & Rescue

1999-08 Fire & Rescue Services

E. 1.	i	Maintenance Cost Tracking	Partially Complete	System	89
E. 3.	i	Parts and Service Purchasing	Partially Complete		90
E. 3.	ii	Parts and Service Purchasing	Partially Complete	System	91

Human Resources

501-0001-06 Audit of Safety/Loss Control

			STATUS	CLASSIFICATION	PAGE
2.	1.	Vehicle Accidents	Partially Complete		92-93
3.	1.	Self-Insurance Funds	Partially Complete	System	94

502-0203-05 Audit of Insurance Services -- Employee Benefits

3.	2.	Insurance Plan Components	Partially Complete		95
11.	1.	Medical and Dependent Care Flexible Spending Accounts	Partially Complete		96
13.	1.	Office Procedures	Partially Complete		97

Information Technologies

1999-02 Information Technology Operations

D. 3.		Sun Solaris Administration	Partially Complete		98
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2000-01 Citywide Payroll Process

E. 2.	iii	Access Control	Partially Complete	System	99-100
E. 6.	v	Root Access	Partially Complete	System	100

2101-0102-09 Audit of Information Technology Security

3.	2.	Incident and Intrusion Monitoring, Detection, Handling, Reporting, and Logging	Partially Complete	System	101-102
8.	6.	System Access and Authentication	Partially Complete	System	102-103
9.	1.	Domain Administrator Rights	Partially Complete	System	104
10.	1.	Root Access	Partially Complete	System	105

Leisure Services

1999-09 Department of Leisure Services - Recreation Division

A. 1.		Master Plan	No Progress		106
D. 3.	ii	Resident Preference	Partially Complete		107

1701-0203-03 Audit Of Parks And Open Spaces

10.	5.	Park Reservations	Partially Complete	System	108
11.	3.	Park Ambassador Program	Partially Complete		109
11.	4.	Park Ambassador Program	Partially Complete		110

Municipal Court

1999-07

Las Vegas Municipal Court

		STATUS	CLASSIFICATION	PAGE
B. 2.	ii	Transaction Receipts	Partially Complete	System 111
B. 2.	iii	Transaction Receipts	Partially Complete	System 112
B. 3.	i	Correspondence With Defendants	Partially Complete	System 113
B. 3.	ii	Correspondence With Defendants	Partially Complete	System 114
C. 1.	ii	Physical Security of Court	No Progress	115
C. 2.	iii	User Passwords For Court System	Partially Complete	System 116
C. 3.	ii	Court System Record Change Access and Monitoring	Partially Complete	System 117
C. 4.	ii	Limits On Cash In Drawers	Partially Complete	System 118
D. 1.		Audit Trail Reports and Monitoring	Partially Complete	System 119
D. 2.		Bail Register Report Errors	Partially Complete	System 120

2300-0001-03 Special Report: Municipal Court Mail Unit

7.	Municipal Court Mail Unit	Partially Complete	System	121-122
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Public Works

1502-0001-05 Audit of Las Vegas Area Computer Traffic System (LVACTS)

A. 1.	2.	Performance Evaluation	Partially Complete	123
A. 6.	2.	Training	Partially Complete	124-125

DETAIL:

**DEPARTMENTAL AUDIT
RECOMMENDATION FOLLOW-UP**

Department:	Building & Safety
Report No.:	1999-04 Building & Safety Department

A. 1. i Permits System

**Partially Complete
System**

Recommendation

In conjunction with the re-engineering of the Permits System by Information Technology, a thorough systems needs analysis should be performed by management and IT to ensure that the end users needs are addressed and that certain functions presently being performed manually by staff are automated in the process.

Management's Plan of Action

Concur. We are in the final stage of the selection process for a Development Services-wide PC based system which will replace the current mainframe based system. System needs analysis has been performed and incorporated into the feature and functionality requirements of the new system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 1. ii Permits System

**Partially Complete
System**

Recommendation

Data required from other city applications should be interfaced to the Permits System to eliminate data redundancy and to improve the accuracy of the information reported. Management should also document and prioritize their needs for system generated monitoring reports that would allow them to more effectively manage their department.

Management's Plan of Action

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4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 2. i Cash Receipts

**Partially Complete
System**

Recommendation

In order to further improve the internal controls surrounding cash receipts in the Building & Safety Department, we recommend that management address the above control weaknesses.

Management's Plan of Action

Concur. Control weaknesses will be addressed as part of the new computer system. Our revenues balance everyday and this will be reflected with the new programming.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 2. ii Cash Receipts

**Partially Complete
System**

Recommendation

In conjunction with the system re-design, management should ensure that cash handling procedures are properly documented to serve as a reference tool and standard for the cashiers.

Management's Plan of Action

Concur. Cash handling procedures will be properly documented once the new system is initiated. We already have a basic procedures manual.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 3. i Plan Review and Approval

**Partially Complete
System**

Recommendation

In conjunction with the system re-design, management should ensure that monitoring and aging reports are produced for their use to monitor the progress of the plan review process.

Management's Plan of Action

Concur. Required reports are part of the functions of the new system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Plan Review process has been drastically improved through internal procedural changes. Hansen system will improve reporting. Hansen project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 4. i Express Plan Check Program

**Partially Complete
System**

Recommendation

Unique transaction codes should be programmed for the Express Plan Check program.

Management's Plan of Action

Concur. Unique transaction codes will be included in the new computer system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 4. ii Express Plan Check Program

**Partially Complete
System**

Recommendation

The unique transaction codes should be included and reported on the “Average Number of Days to Review Plans” Report to determine how long it is actually taking to permit these applications.

Management’s Plan of Action

Concur. Unique transaction codes will be included in the new computer system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent “go-live” date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The “go-live” date is December 16, 2002. We anticipate six months of learning the new system, “de-bugging”, fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 5. i Complaint Processing

**Partially Complete
System**

Recommendation

In order to monitor the nature of concerns that arise, management should have a means by which to effectively track all concerns and complaints received by the department.

Management's Plan of Action

Concur. Although management is responsive to complaints and does track trends, we do not have a form currently in use to do so. We experimented with a "complaint form", but the benefits did not justify the additional administrative burden imposed by already overworked staff and lack of programming. However, we will devise another process to track complaints on the new computer system and see if it works.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Complaints have dropped to virtually nothing. Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 5. ii Complaint Processing

**Partially Complete
System**

Recommendation

Management should create a form to be used to document all pertinent information regarding complaints.

Management's Plan of Action

Concur. Although management is responsive to complaints and does track trends, we do not have a form currently in use to do so. We experimented with a "complaint form", but the benefits did not justify the additional administrative burden imposed by already overworked staff and lack of programming. However, we will devise another process to track complaints on the new computer system and see if it works.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Complaints have dropped to virtually nothing. Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 5. iii Complaint Processing

**Partially Complete
System**

Recommendation

Management should use these forms to monitor and analyze the complaints received by the department in order to determine if any negative trends exist and to ensure that they are resolved in a timely manner.

Management's Plan of Action

Concur. Although management is responsive to complaints and does track trends, we do not have a form currently in use to do so. We experimented with a "complaint form", but the benefits did not justify the additional administrative burden imposed by already overworked staff and lack of programming. However, we will devise another process to track complaints on the new computer system and see if it works.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Complaints have dropped to virtually nothing. Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 6. i Appeals Process

**Partially Complete
System**

Recommendation

Management should implement procedures to improve controls over the appeals hearing process.

Management's Plan of Action

Concur. This is the only appeals process in the valley, and it is widely acclaimed by builders and developers as the best around. As soon as resources are made available, all appeals will be digitally scanned and indexed by address, project identifier, and subject.

Follow-up Response

4/5/04 A program has been written for documentation of appeals. Scanning will commence soon. Estimated completion is August 2004.

2/25/03 We have obtained our own scanning equipment and are working on the existing backlog at this time. Estimated completion of the backlog is December 2003, then we can begin scanning the Appeals.

4/23/02 We have obtained our own scanning equipment and are working on the existing backlog at this time. Estimated completion of backlog is December 2002, then we can start scanning the Appeals.

10/18/01 We are still working on upgrade of FileNet with IT to be able to scan and index.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

A. 6. v Appeals Process

**Partially Complete
System**

Recommendation

The monitoring system should include scanning petition forms for retention and analysis.

Management's Plan of Action

Concur. This is the only appeals process in the valley, and it is widely acclaimed by builders and developers as the best around. As soon as resources are made available, all appeals will be digitally scanned and indexed by address, project identifier, and subject.

Follow-up Response

4/5/04

soon. Estimated completion is August 2004.

2/25/03 We have obtained our own scanning equipment and are working on the existing backlog at this time. We estimate completion of the backlog in December 2003. Then we can begin scanning the back appeals.

4/23/02 We have obtained our own scanning equipment and are working on the existing backlog at this time. We estimate completion of the backlog in December 2002. Then we can start scanning the back appeals.

10/18/01 We are still working on upgrade of FileNet with IT to be able to scan and index.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

B. 3. Temporary Final Inspections

**Partially Complete
System**

Recommendation

In conjunction with the system re-design, management should ensure that proper reports are designed to monitor temporary final inspections and temporary Certificates of Occupancy and that appropriate notices are sent to property owners.

Management's Plan of Action

Concur. Tracking Temporary Finals and Certificates of Occupancy will be made part of the new computer system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

B. 5. ii Work Performed Without A Permit

**Partially Complete
System**

Recommendation

Additionally, staff should monitor such properties to ensure that permits are obtained.

Management's Plan of Action

Concur. The new system will include automatic notifications to owners of work not permitted. We do not currently have time to manually do this, or always perform field checks.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

B. 6. i Certificates Of Occupancy

**Partially Complete
System**

Recommendation

In conjunction with the re-design of the Permits System, management should consider automating more of the CofO issuance process.

Management's Plan of Action

Concur. This is part of the required functions of the new system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

B. 6. ii Certificates Of Occupancy

**Partially Complete
System**

Recommendation

All information required for a CofO and available at the time of application should be obtained during the application process.

Management's Plan of Action

Concur, with explanation. Much of the required information is not known at the time of application.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

B. 6. iii Certificates Of Occupancy

**Partially Complete
System**

Recommendation

All inspection results, regardless of the party performing the inspection, should be recorded on the Permits System so there is a complete history of all inspection activity for the respective building permit.

Management's Plan of Action

Concur. All required inspections from all departments (Building, Planning, Public Works, Fire) must be part of the new system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department:	Building & Safety
Report No.: 1999-04	Building & Safety Department

C. 2. ii Inspection Re-Fees

**Partially Complete
System**

Recommendation

To permit closer monitoring of re-fees by Inspection Supervisors, management should request that a report be generated by the Permits System which lists all permit numbers that have had more than two rejected like kind inspections in conjunction with the Permits System re-design.

Management's Plan of Action

Concur. We do not have the staff to do this now. This can be a function of the new computer system.

Follow-up Response

4/5/04 The "go live" date for Hansen is September 2004. After fine-tuning and other adjustments, the implementation of your recommendations is December 2004.

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Vendor selected, but contract is not yet final. Estimate 12-18 months to implement.

Department: City Manager

Report No.: 1999-09 Department of Leisure Services - Recreation Division

C. 2. i Vending/Corporate Sponsorship

Partially Complete

Recommendation

City management should put out to bid all of the City's vending and the "Official Soft Drink of Las Vegas" title in order to obtain additional revenue from a soft drink vendor or distributor to support City programs.

Management's Plan of Action

Department of Leisure Services Management will explore the benefits of putting to bid all the City's vending and the "Official Soft Drink of Las Vegas" title in order to obtain substantial revenue from a soft drink vendor or distributor.

Follow-up Response

3/29/04 The Centennial Committee has been working on identifying marketing opportunities in light of the celebrations scheduled for 2005. At the conclusion of the 2005 activities the potential opportunities for such activities should be reexplored.

3/18/03 Responses to third party administrator were insufficient and proposals for soft drink vending were also below market value. Issues associated with "blind vending" and legal issues associated with advertising on City property should be explored further.

4/23/02 The City Manager's Office is recommending that a third-party administrator be hired to further develop this program. Please see CMIR titled, "Addendum: Advertising on City of Las Vegas Property" for more information.

10/22/01 This recommendation is currently being addressed by the Purchasing and Contracting Office. They have developed a "draft" RFP which is currently being reviewed by the City Attorney and other City departments having an interest in this process. Completion of this action depends upon the response from the RFP.

Department: City Manager
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

4. 3. Facility and Equipment Security

Partially Complete

Recommendation

The City Manager's Office in conjunction with Detention and Enforcement should evaluate and document the current status of controls of keys at the City and develop a plan to address weaknesses in the controls to ensure proper security of city facilities. This evaluation should include a review of the following areas:

- Distribution of keys
- Effectiveness of marking keys "Do not duplicate"
- Handling of terminated employees
- Handling of transferred employees who no longer need keys
- Process for returning keys
- Penalty for not returning keys
- Penalty for losing keys
- Policy on when locks should be changed or recored when keys are lost, stolen, or misplaced.

Management's Plan of Action

Over the past several years, significant strides have been made in the safety and security of keys produced and distributed by the City. Even with those strides, however, opportunities for further improvement and more consistent application exist. To that end, the City Manager's Office will work with Detention and Enforcement, Field Operations, Human Resources, and other stakeholders in this process to address weaknesses in controls identified by this audit.

Follow-up Response

4/5/04 A new and much more secure key system has been developed and keys and cores have been funded and ordered. There is a policy and process for dealing with lost keys and terminations.

Department:	Field Operations
Report No.: 1999-10	Department of Leisure Services - Recreation Division - Community Schools

D. 2. i Turf Maintenance of Public School Sites Partially Complete

Recommendation

The Open Schools Agreement should be formally amended to properly reflect the division of responsibility for turf maintenance of all public schools.

Management's Plan of Action

The Department of Leisure Services met with the Parks Division Manager in October of 1999 to begin the process as outlined in these recommendations.

The Parks Division Manager will coordinate the effort to amend the Open Schools Agreement to reflect accurate turf maintenance with Clark County School District, Leisure Services Department and Community Schools representatives.

Follow-up Response

4/27/04 The School District still has my maintenance proposal. There has been no movement. We continue to do maintenance as we understand and interpret the existing agreement. The Real Estate & Asset Management Division is responsible for preparing and presenting agreement amendments.

4/03/03 The Real Estate and Asset Management Section (David Roark) is responsible for developing the agreements that we have with other entities. We have met with both David Roark's office and representatives from the school district. We have presented what we feel are fair maintenance standards / procedures and areas of responsibility for turf maintenance as it is addressed in the Open Doors Open Schools agreement. The school district does not agree.

5/14/02 I asked Leisure Services to provide me information outlining what "City" programming is done at various elementary schools and what amount of programming time is spent on the open turf area. I defined "City programming" as official City programs that include City staff in the administration/service of the program and the program designed and formulated by City staff. I don't feel the City (Parks Division) should be obligated to maintain CCSD sites at which the City doesn't have "official" programs that utilize the open turf area. There is a meeting scheduled for May 16th, 2002 at which this issue will be discussed. Staff from the City Managers' Office, Leisure Services and Field Operations will be involved. It is my understanding that a formal request to the CCSD to amend the Open Doors Open Schools agreement will be drafted at this meeting.

Department:	Field Operations
Report No.: 1999-10	Department of Leisure Services - Recreation Division - Community Schools

10/17/01 The only meeting I had with Leisure Services was to ask them if they in fact had programming at the sites listed in the agreement that involved activity on the turf area. My reasoning was that programming only within the school itself should not necessarily equate to the City having responsibility for turf and irrigation maintenance. To my knowledge nothing has been finalized nor submitted to the CCSD. I'll initiate a meeting with Dr. Jackson to discuss this situation and formulate a presentation to the CCSD.

D. 2. ii Turf Maintenance of Public School Sites Partially Complete

Recommendation

The Open Schools Agreement should be reviewed and evaluated by the City, Parks Maintenance and Leisure Services management for equity in responsibilities for turf maintenance. Other areas of the Agreement should be reviewed as well. Suggested changes should be communicated to Clark County School District representatives in conjunction with the "formal periodic review" permitted every five years under the Agreement (or sooner if possible).

Management's Plan of Action

The Department of Leisure Services met with the Parks Division Manager in October of 1999 to begin the process as outlined in these recommendations.

The Parks Division Manager will coordinate the effort to amend the Open Schools Agreement to reflect accurate turf maintenance with Clark County School District, Leisure Services Department and Community Schools representatives.

Follow-up Response

4/27/04 Is it not the responsibility of the Real Estate & Asset Management Division to coordinate such review and amendments? The Parks position on what we can and should do has not changed. It is School District property. If restoration is needed or required they should be responsible. We will participate to established dollar amounts.

4/03/03 This is the same as the situation in D.2.i (LH) Some progress has been made in that we are no longer accepting maintenance responsibilities for CCSD sites without agreement. Recently we accepted one middle school site and returnen 3 elemintary sites to CCSD.

5/13/02 I asked Leisure Services to provide me information outlining what "City" programming is done at various elementary schools and what amount of programming time is spent on the open turf

Department:	Field Operations
Report No.: 1999-10	Department of Leisure Services - Recreation Division - Community Schools

area. I defined "City programming" as official City programs that include City staff in the administration/service of the program and the program designed and formulated by City staff. I don't feel the City (Parks Division) should be obligated to maintain CCSD sites at which the City doesn't have "official" programs that utilize the open turf area. There is a meeting scheduled for May 16th, 2002 at which this issue will be discussed. Staff from the City Managers' Office, Leisure Services and Field Operations will be involved. It is my understanding that a formal request to the CCSD to amend the Open Doors Open Schools agreement will be drafted at this meeting.

10/17/01 The only meeting I had with Leisure Services was to ask them if they in fact had programming at the sites listed in the agreement that involved activity on the turf area. My reasoning was that programming only within the school itself should not necessarily equate to the City having responsibility for turf and irrigation maintenance. To my knowledge nothing has been finalized nor submitted to the CCSD. I'll initiate a meeting with Dr. Jackson to discuss this situation and formulate a presentation to the CCSD.

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services	
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2. 4. Accountability For Vehicle Abuse

Partially Complete

Recommendation

Fleet Services should perform an updated labor cost analysis considering both direct and indirect costs to determine a more appropriate labor rate to charge departments for preventable accidents and repair of damage caused by abuse.

Management's Plan of Action

A rate review will be conducted in conjunction with Item #3 below.

Follow-up Response

4/23/04 A new rate model was implemented beginning July 1, 2003 (Fiscal Year 2004) and we are fiscally sound. The HANSEN interface is expected to "go live" on or before May 15, 2004

04/10/03 Partial progress has been achieved based on data gleaned manually from the City's current mainframe system which is being replaced by a new, state of the art system. Upon implementation of the City wide HANSEN project, this component will be more readily achievable which should be by January 2004.

Department: Field Operations

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

4. 1. Housing Authority Contract

Partially Complete

Recommendation

Fleet Services management should perform a cost analysis of its operations (including both direct and indirect costs) and determine appropriate rates to charge external organizations for labor, parts, and fuel. Based on this analysis, adjustments should be made to fees being charged to the Housing Authority.

Management's Plan of Action

Though we are of the opinion that the City is recovering costs associated with a maintenance contract with the Housing Authority, a detailed review of rates charged to the Housing Authority considering direct and indirect costs is in progress.

Follow-up Response

4/23/04 We are currently negotiating a new two (2) year contract extension with the Las Vegas Housing Authority and they have been apprised of another rate increase across the Board - this contract will run from July 1, 2004 through June 30, 2006. We are confident that we are recovering costs. HANSEN is expected to "go live" on or before May 15, 2004.

04/10/03 Rates were partially adjusted upward under the current contract which was renewed on June 30, 2002. Corroborating detailed financial analysis was only partially done due to insufficient availability of financial data. Once the City's new HANSEN database system is fully operational, a more detailed analysis will be completed. This is anticipated by January 2004.

Department: Field Operations
Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

8. Underutilized Vehicles

**Partially Complete
System**

Recommendation

Fleet Services management should more routinely evaluate and document the usage of city vehicles and recommend to appropriate management the re-assignment of less utilized vehicles.

Management's Plan of Action

Implemented a new fuel tracking report during the course of the audit that highlights "low fuel usage" vehicles (those that consume less than 20 gallons per month in any three month period). Once a continuous pattern has been determined, a collaborative discussion between Fleet Services and the user will take place to maximize the asset's use.

Follow-up Response

4/23/04 We have made substantial vehicle/equipment re-deployments during the current fiscal year (Fiscal Year 2004). We monitor vehicle utilization through the work order system which will be enhanced considerably when the HANSEN interface is operational on or before May 15, 2004

03/03/03 Substantial progress has been made in redeploying of City vehicles/equipment and, where applicable, salvaging units for sale at auction. The "old" automated fuel system is currently being replaced with a sophisticated state of the art fuel system which will dramatically enhance the Manager's ability to monitor fuel usage across the entire fleet at any given point in time. This new system is expected to be fully operational by April 1, 2003.

Department: Field Operations	
Report No.: 1503-0102-03 Audit of Fleet and Transportation Services	

**9. 2. Compressed Natural Gas
(CNG) Usage Tracking**

**No Progress
System**

Recommendation

Each CNG dispenser access card issued should have a unique PIN number and these PIN numbers should be kept confidential. The PIN numbers should not be written on the carrying sleeves.

Management's Plan of Action

The contractor has agreed to change their data base to reflect PIN specific to each individual fueling on CNG.

Follow-up Response

4/23/04 The vendor has agreed to make the changes but has experienced continuing programmatic problems. We will follow up and insure that this final task is completed as soon as is practicable but no later than June 30, 2004.

03/03/03 This has not yet been fully completed. Vendor has agreed to make the changes but have experienced some programming issues and employee turnover which has delayed its implementation. Expect to have resolved within the next 60 days.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

1. Standard Operating Procedures

Partially Complete

Recommendation

Parks and Open Spaces management should create a divisional standard operations manual. This manual should be made accessible to employees and updated as needed. Consideration should be given to the inclusion of the following items:

- Daily park cleaning and maintenance tasks
- Preventative maintenance guidelines and timetables
- Park inspection checklists
- Irrigation schedules
- Equipment and supplies purchasing guidelines
- Equipment operating and cleaning procedures
- Equipment and supplies security and storage guidelines
- Vandalism reporting guidelines
- Handling of customer complaints
- Key contacts and phone numbers

Management's Plan of Action

We will further develop and expand the policy & procedure manual and operations manual that we have. We will address and include those items and areas that have been recommended.

Timetable: 6 months.

Follow-up Response

4/27/04 We developed a manual as part of Leisure Services accreditation. We continue to update and fine tune the policies, procedures, and standards.

Department:	Field Operations
Report No.:	1701-0203-03 Audit Of Parks And Open Spaces

2. 3. Park Security

Partially Complete

Recommendation

Parks and Open Spaces management should ensure park signage includes easily identifiable phone numbers to call to report park vandalism and graffiti.

Management's Plan of Action

We are currently working on signage for updated rules & regulations; some is in rough draft form already. We will also work on language and signage for specialty situations, conditions, and locations. We will work with Detention and Enforcement for the most effective locations for sign placement.

Timetable: 3 months to finish language and gather all approvals. 2 months to bid and manufacture. 6 months to install in all parks.

Follow-up Response

4/27/04 Just now finishing bid package. Should be on the street by June 2004.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

3. Park Signage

Partially Complete

Recommendation

Parks and Open Spaces management, in conjunction with the City Manager's Office, the City Attorney's Office, Leisure Services, and the City Marshal's Office, should evaluate existing park signage and make changes as necessary to:

- Bring greater consistency of signage between parks and park venues;
- Improve the enforceability of park rules and regulations; and
- Provide increased information to the public.

Management's Plan of Action

We are currently working on signage verbiage for updated rules & regulations. We are also working on language for specialty situations, conditions, and locations. We will work with Detention & Enforcement for the most effective locations for sign placement.

Timetable: It will take us 4 – 5 months to get the signs approved and manufactured; 6 months to install in all parks. Will be completed by September 30, 2003.

Follow-up Response

4/27/04 Just now finishing bid package. Should be on the street by June 2004.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

4. 1. Facility and Equipment Security **Partially Complete**

Recommendation

Parks and Open Spaces management should more fully document its security policies.

Management's Plan of Action

As part of our policies & procedures and operations manual efforts we will more fully document our security policies.

Timetable: This would be in the same time frame of #1; 6 months.

Follow-up Response

4/27/04 We developed a manual as part of Leisure Services accreditation. We continue to update and fine tune the policies, procedures, and standards.

6. Property Damage Reporting **Partially Complete**

Recommendation

Parks and Open Spaces Management should establish formal guidelines regarding what property damage at city parks should be reported to Insurance Services. For example, thresholds could be established based on hours or costs incurred.

Management's Plan of Action

The Parks & Open Spaces Division will explore the possibility and feasibility of establishing guidelines for reporting property damage; based on square footage of damage, estimated cost of repair, vulgarity or ethnic inappropriateness, and/or repetitive acts at one location. We are currently reporting all accident damage and stolen items.

Timetable: We will have this done by April 30, 2003.

Follow-up Response

4/27/04 Very difficult to establish firm guidelines for what is reported and what is not. If theft and/or breaking and entering is involved, it is automatically reported. We still rely on the expertise of our painters to determine what graffiti is reported. Anything vulgar, ethnic, gang, etc. is reported and photographed. Always on-going.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

**8. 1. Review of Design Standards
and Park Designs**

Partially Complete

Recommendation

Parks and Open Spaces management should review design standards that impact city parks and provide input to Architectural Services.

Management's Plan of Action

The Parks & Open Spaces Division will work with the Office of Architectural Services to incorporate a Parks signature line on all park construction drawings and a process whereby review comments will be submitted in a timely manner to OAS and all comments will remain on file.

Timetable: Will be completed by January 1, 2003.

Follow-up Response

4/27/04 We work closely with OAS on the review of park design and drawings and document recommended changes. We also work closely with Dave Loge and staff on establishing "Standards". The division also provides a field supervisor at all field construction meetings. Always on-going.

**8. 2. Review of Design Standards
and Park Designs**

Partially Complete

Recommendation

Parks and Open Spaces management should timely review and provide input on park designs and track their input to ensure that their issues are adequately addressed prior to the awarding of park construction contracts.

Management's Plan of Action

The Parks & Open Spaces Division will work with the Office of Architectural Services to incorporate a Parks signature line on all park construction drawings and a process whereby review comments will be submitted in a timely manner to OAS and all comments will remain on file.

Timetable: Will be completed by January 1, 2003.

Follow-up Response

4/27/04 We work closely with OAS on the review of park design and drawings and document recommended changes. We also work closely with Dave Loge and staff on establishing "Standards". The division also provides a field supervisor at all field construction meetings. Always on-going.

Department:	Field Operations
Report No.:	1701-0203-03 Audit Of Parks And Open Spaces

9. 1. Public Complaints

**Partially Complete
System**

Recommendation

Parks and Open Spaces management should evaluate additional measures that can be taken to improve and formalize the tracking and monitoring of customer issues and complaints.

Management's Plan of Action

We will work closely with those developing the HANSEN information system to be a part of the complaint monitoring component. Until it is functional, we will implement a hand driven system using a standardized form. We will make a monthly reporting form a part of our temporary and permanent systems. This will be in addition to the City's C.A.R. system.

Timetable: Unknown timeline on the implementation of the HANSEN component. We will have the hand driven system in place by December 1, 2002.

Follow-up Response

4/27/04 Still working on the HANSEN complaint tracking component. We just got fully staffed in our office which gives us more ability to track all complaints. We also have the CAR system and an internal form. On-going.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

9. 2. Public Complaints

**Partially Complete
System**

Recommendation

Once a formalized tracking program is established, Parks and Open Spaces management should create summary reports and distribute them to concerned parties.

Management's Plan of Action

We will incorporate monthly reporting capabilities in each complaint tracking system.

Timetable: The hand driven system will be in place by December 1, 2002.

Follow-up Response

4/27/04 See 9.1 - We do report when requested.

10. 3. Park Reservations

Partially Complete

Recommendation

Parks and Open Spaces management should work with Leisure Services in designing improved signage for reservable picnic shelters and recreational areas that clearly identify the reservable area and how to reserve the area.

Management's Plan of Action

Since we are responsible for the preparation of these sites and responsible for the posting of the reservations we will design the signage and language and its installation.

Timetable: Start in 90 - 120 days and it will be on going. Signs will have to be manufactured first.

Follow-up Response

4/27/04 Just now finishing bid package. Should be on the street by June 2004.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

10. 7. Park Reservations

Partially Complete

Recommendation

Parks and Open Spaces personnel (rather than city marshals) in conjunction with their regular cleaning and maintenance duties should inspect reserved areas and sign-off on the rental contract/park permit. Parks and Open Spaces should then make the determination as to whether a portion or all of the damage deposit should be withheld.

Management's Plan of Action

There is no way that our staff can be at every reservation site when that reservation is completed. We would not see the area until the following morning and the argument could be made by the reserver that it was clean when they left. We currently notify Leisure Services when we observe that a site requires more than a normal maintenance effort to clean it. Leisure then deals with the deposit situation.

Follow-up Response

4/27/04 Same as reported before. Would need considerable more full-time weekend staff to accomplish the recommendation.

10. 8. Park Reservations

Partially Complete

Recommendation

Parks and Open Spaces management should develop guidelines for the proper cleaning of city parks and reservable park facilities for the public. These guidelines should be included in the park rental contract/park permit and in Special Event contracts and used as a measure in determining whether to refund a damage deposit.

Management's Plan of Action

Parks will establish normal cleaning and preparation standards; with time frames, and will create standards for what is expected of the public in cleaning up after a reservation.

Timetable: Will complete by January 1, 2003.

Follow-up Response

4/27/04 Parks and Open Spaces has informal cleaning standards and guidelines.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

11. 1. Park Ambassador Program

Partially Complete

Recommendation

Parks and Open Spaces management should formally respond monthly to the issues identified by the Park Ambassadors.

Management's Plan of Action

We do formally respond to the issues identified by the park ambassadors. What will need to be addressed is the content of the reporting and the unnecessary repetition of issues. When we respond to an issue they need to drop it off the report ... even if it's not what they want to hear. Too many of their issues are either cosmetic and can only be done when we have time or what they want done is beyond our capabilities.

Timetable: We are currently responding and will incorporate more detail in our responses.

Follow-up Response

4/27/04 We could do a better job of responding. We have met with ambassador staff to work with them on what should be reported, how and when.

11. 2. Park Ambassador Program

Partially Complete

Recommendation

A representative from Parks and Open Spaces should attend the monthly Park Ambassador meetings.

Management's Plan of Action

Agree. I will get with Stephanie and have her notify me of meetings.

Timetable: Immediate.

Follow-up Response

4/27/04 We are fairly representative but could and will do better.

Department:	Field Operations
Report No.:	1701-0203-03 Audit Of Parks And Open Spaces

12. 2. ADA Standards Compliance

Partially Complete

Recommendation

Parks and Open Spaces should assist in the creation of a formal program for bringing city parks into compliance with ADA standards.

Management's Plan of Action

The Parks Maintenance Division should not have the primary responsibility for developing programming that will bring City parks into ADA compliance. This function will require the development of project plans and drawings and OAS is much more qualified to do this. We must, and will be, an integral part of any and all formal programming.

Timetable: Immediate

Follow-up Response

4/27/04 Staff continues to work with the ADA coordinator and the department's Safety Officer on brining the parks into compliance with ADA standards.

Department: Field Operations
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

13. Allocation of Manpower

Partially Complete

Recommendation

Parks and Open Spaces management should evaluate and document alternative measures that could be taken to increase the effectiveness of its weekend operations. Management should consider the following:

- Outsourcing of general cleaning functions such as general trash pickup and restroom cleaning at more heavily used parks.
- Less concentrated efforts on the weekends in preparation for reservations and special events could create additional time for routine cleaning and maintenance.

Management's Plan of Action

We continue to research alternative approaches to providing week- end, picnic reservation and special event coverage. One possibility we are exploring is the use of the annual building maintenance contract that Facilities Management has for the cleaning of restrooms at designated high use parks during the peak use seasons. We also continue to explore the possible use of community service workers; this will require that the courts be able to guarantee that sentences will be specific and mandatory.

There is no way that on our own we can implement less maintenance effort to picnic and special events. Not at all sure this would ever be politically supported. We will continue to maximize the use of overtime to address these needs with the on-going hope that some of the revenues derived from the reservations and events can be dedicated to additional staff. We will continue to develop work schedules that will maximize our efforts in these specialty maintenance requirements.

Timetable: On going.

Follow-up Response

4/27/04 Our weekend and special event responsibilities are huge and ever increasing, probably taking 15-20% of our time. Not considered maintenance time. We continually evaluate our available staff time and how best it can be utilized. Decisions are made weekly on weekend requirements based on reservation and special event information received from Leisures Services. We also evaluate the pros and cons of outsourcing services. We have tree trimming/removal and most median maintenance outsourced. Eliminating the support of special/weekend event, to allow for more maintenance efforts on the weekend, has been proposed to City management. A response has not been received.

Department:	Finance & Business Services
Report No.: 1999-01	Office Supplies Contract Special Audit

6. a Purchasing Policy And Procedures

No Progress

Recommendation

Purchasing and Contracts management should seek input from the buyers and the user departments to ensure the purchasing manual provides clear guidance and instructions for the purchasing function.

Management's Plan of Action

The Purchasing & Contracts Division concurs with the recommendation and is currently in the process of creating new City-wide policies and procedures. Drafts have already been completed and will be submitted to the City Manager for approval in the next 90 days.

Follow-up Response

4/5/04 Procedures drafted by prior Manager were reviewed and found to be unacceptable in terms of content and scope. Staffing deficiencies in 2003 prohibited the time to allot to generating a City-wide Purchasing Manual. The staffing level in 2004 should accommodate the development and implementation of such a manual.

03/07/03 Procedures drafted by prior Manager are under review by new P&C Manager

5/02/02 The Purchasing and Contracting Division has drafted eighteen policy and procedure documents. A new city wide process for drafting, reviewing, and approving policies and procedures has been delayed due to an administrative reorganization. The Finance Department will take the initiative to disseminate our draft documents for review and comment, and ask that the City Manager approve into formal implementation. The dissemination vehicle will be the department's Tribune Intranet web site, and other departments will be expected to print and disseminate copies as needed to those who do not have Intranet access. The Finance Department expects this can be accomplished by June 30, 2002.

10/19/01 Awaiting implementation of citywide policies and procedures process.

Department:	Finance & Business Services
Report No.: 2000-01	Citywide Payroll Process

B. 2. i Payroll Reports

**Partially Complete
System**

Recommendation

Payroll staff should seek input from City departments on the types of reports and improvements in current reports needed to appropriately monitor their labor hours and costs.

Management's Plan of Action

The Accounting Division is in the process of developing and implementing a new time and attendance / labor distribution system purchased from Tru Trac. The implementation team crosses many departments and divisions, whose input will be sought for development of necessary and useful management reports. This new system will allow departments and divisions to establish work schedules and track hours worked and leave taken against those schedules, as well as track labor distribution costs. This system's database will be fully interfaced with Oracle Financials (Human Resources, Payroll, and General Ledger modules). Accounting will not write reports from the legacy system, but rather will expend that effort on the new Tru Trac system.

Follow-up Response

4/1/04 4/1/04 We have cancelled our contract with our previous vendor and have decided to pursue an in house written labor tracking system which will be used on a temporary basis. This will allow for some management reporting. The decision to expand reporting capabilities will be based the anticipated timeframe that we intend to use this system. It is expected that 75% of the rollout will be complete by the end of October 2004. We are planning on evaluating Oracle's Time and Labor System after the upgrade to Oracle 11i.

2/25/03 Deficiencies were unable to be corrected by vendor. Arrangements are in process to close out the current contract in exchange for a new rules based product which put the majority of the control back in CLV's hands, so we may avoid this problem in the future. Roll out is estimated to start in May 2003.

5/01/02 Citywide response to the TruTrack training was tremendous with respect to its reporting flexibility. Unfortunately, the testing revealed deficiencies that are currently being corrected by the developer, and phased deployment is anticipated to begin in July 2002.

10/04/01 We are in the process of rolling out Tru-Track for the summer of 2001. Attention will be given to assisting the departments in finding, using and creating reports that meet their particular needs.

Department:	Finance & Business Services
Report No.: 2000-01	Citywide Payroll Process

B. 2. ii Payroll Reports

**Partially Complete
System**

Recommendation

Payroll staff should communicate more effectively to City management the payroll information and reports that are currently available.

Management's Plan of Action

The Accounting Division is in the process of developing and implementing a new time and attendance / labor distribution system purchased from Tru Trac. The implementation team crosses many departments and divisions, whose input will be sought for development of necessary and useful management reports. This new system will allow departments and divisions to establish work schedules and track hours worked and leave taken against those schedules, as well as track labor distribution costs. This system's database will be fully interfaced with Oracle Financials (Human Resources, Payroll, and General Ledger modules). Accounting will not write reports from the legacy system, but rather will expend that effort on the new Tru Trac system.

Follow-up Response

4/1/04 4/1/04 We have cancelled our contract with our previous vendor and have decided to pursue an in house written labor tracking system which will be used on a temporary basis. This will allow for some management reporting. As reporting capabilities are expanded, we will communicate to end users that they are available. The decision to expand reporting capabilities will be based the anticipated timeframe that we intend to use this system. It is expected that 75% of the rollout will be complete by the end of October 2004. We are planning on evaluating Oracle's Time and Labor System after the upgrade to Oracle 11i.

2/25/03 Deficiencies were unable to be corrected by vendor. Arrangements are in process to close out the current contract in exchange for a new rules based product which put the majority of the control back in CLV's hands, so we may avoid this problem in the future. Roll out is estimated to start in May 2003.

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10/04/01 We are in the process of rolling out Tru-Track for the summer of 2001. Attention will be given to assisting the departments in finding, using and creating reports that meet their particular needs.

Department:	Finance & Business Services
Report No.: 2000-01	Citywide Payroll Process

**C. 2. i Incentive Compensation
For Appointive Employees**

Partially Complete

Recommendation

Finance should communicate to department directors a fixed dollar amount each year for the merit increases for all of their appointive employees.

Management's Plan of Action

We agree with the finding that a fixed dollar amount for each department to use for appointive merit increases is a better management tool and that moving toward a once a year review period for appointive employees will help departments to better manage and measure their merit awards.

Follow-up Response

3/30/04 The FY2005 Budget is being prepared with a fixed dollar budget for Labor and Benefits for Appointive employees. The budget amount will be formally communicated to Directors following approval of the Final Budget and monitored for compliance by Budget & Finance.

2/25/03 No Progress

5/01/02 The Budget & Finance Division has not implemented a fixed dollar budget for department labor and related benefits. The current legacy budgeting tool, SALPRO, does not support this approach. As we move toward replacing SALPRO with a new system, heavy consideration will be given towards this approach. No definitive time frame currently exists for that transition.

10/04/01 Has not been implemented. Still under consideration by City Manager; however, there are currently not tools in place to provide adequate management and control of such a change.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

1. 1. Delinquent Parking Citation Collections

**Partially Complete
System**

Recommendation

We recommend that the Parking Collections Unit establish a formal delinquent parking fines and penalties collection program including the use of an automated case tracking system. City management should evaluate the internal resources necessary to operate a successful collections program and consider soliciting the services of a collection agency to further enhance their efforts.

Management's Plan of Action

Agree with the above recommendations. An additional collections officer has been budgeted for fiscal year 2001 and employment began on August 17, 2000. Furthermore, the City is also soliciting bids from collection agencies in connection with EMS bad debts. The EMS RFP will serve as a reference for another RFP that will consolidate various other departments that need collection services—which would include parking collections. Finance will work with IT on the use of an automated case tracking system. An investigation of commercial-off-the-shelf and in-house solutions will be conducted.

Follow-up Response

4/2/04 Purchase Request was placed in front of the City Council for approval to purchase an off the shelf Parking Application Program (Cardinal Tracking) which will assist the Parking and Hearings Office with automated case tracking and automation of the Hearing schedule. The Purchase Request was approved by the City Council and the Parking and Hearings Office is currently in the testing phase prior to full implementation of Cardinal Tracking to replace the current Parking Legacy System. On February 4, 2004 the City Council approved a Contract Modification No. 1 for Collection services for outstanding parking infractions. This contract was renewed with Credit Bureau Central and we have now started forwarding in state parking citations that are outstanding to the collection agency.

3/07/03 The City solicited RFPs from various collection agencies in order to increase the effectiveness of the collection program. Credit Bureau Central was selected as the collection agency to handle the EMS collections. The agreement with Credit Bureau Central was amended to also include the assignment of outstanding parking citations. Currently, Credit Bureau Central is handling all outstanding parking citations issued to a California license plate. Citations issued to other state license plates, as well as outstanding citations issued to rental vehicles, are currently under review. Several commercial off-the-shelf parking software programs have been investigated. Cardinal Tracking offers numerous benefits including automated case tracking and the automation of the hearings scheduling process. A project initiator was signed on February 28, 2002 to set aside

Department: Finance & Business Services
Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

funding. In addition a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2003.

5/01/02 The City hired a new collection officer August 2000, and is now using the EMS collection agency to pursue out-of-state collections (The DMV “hold” program is very effective for in-state collections). Additionally, we are currently reviewing a parking collections software package for case tracking.

6. 1. Parking System Limitations

**Partially Complete
System**

Recommendation

The Parking Collections Unit, working with IT, should continue efforts to move the parking system to a Windows environment.

Management’s Plan of Action

Agree. Per Information Technologies, commercial-off-the-shelf Parking applications are available. A feasibility study, and resulting requirements analysis and RFP will be investigated to address these issues.

Follow-up Response

4/2/04 See previous response to 1.1 Delinquent Parking Citation Collections

3/06/03 The Parking Collections Unit, IT and Parking Management have reviewed several commercial off-the-shelf parking applications. A project initiator was signed on February 28, 2002 to set aside funding. In addition, a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2003. A proposal has been submitted from Cardinal Tracking for the cost of implementation.

5/01/02 Efforts are ongoing with the Finance & Business Services and Information Technologies Departments to select a new system for parking collections, and fiscal year 2003 funding has been set aside for that purpose.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

6. 2. Parking System Limitations

**Partially Complete
System**

Recommendation

Parking should work with IT to develop transaction receipts that automatically include the change due to a customer on the receipt. A sign should be posted in the lobby of the Parking Hearings and Citation Office that encourages customers to request a receipt if they are not given one. The Parking Collections Unit should also work with IT to develop the capability of accessing parking case records by transaction receipt numbers.

Management's Plan of Action

Agree. Per Information Technologies, commercial-off-the-shelf Parking applications are available. A feasibility study, and resulting requirements analysis and RFP will be investigated to address these issues.

Follow-up Response

4/2/04 On July 16, 2003 a Purchase Request was placed in front of the City Council for approval to purchase an off the shelf Windows based Parking Application Program (Cardinal Tracking). This software package has the ability to reflect change due to the customer for any overpayment at the time the front counter clerk is processing the transaction. Cardinal will be doing a program change so that all receipts printed will show change due to the customer as well as on the payment screen. The parking and Hearings office and IT are currently testing Cardinal prior to full implementation of Cardinal to replace the Parking Legacy system. A sign has been posted in the lobby area of the Parking and Hearings office encouraging customers to ask for a receipt if they have not been provided with one after their transaction is complete. Cardinal also has the ability to search parking case records utilizing a receipt number.

3/06/03 The Parking Collections Unit, IT and Parking Management has reviewed several commercial off-the-shelf parking applications. A project initiator was signed on February 28, 2002 to set aside funding. In addition, a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2003. A proposal has been submitted from Cardinal Tracking for the cost of the implementation. In addition, a sign has been posted at the clerks' windows in the Parking & Hearings Office, advising customer that if they were not given a receipt to request a copy of their receipt.

5/01/02 Efforts are ongoing with the Finance & Business Services and Information Technologies Departments to select a new system for parking collections, and fiscal year 2003 funding has been set aside for that purpose.

Department: Finance & Business Services
Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

**9. 3. Parking Planning, Coordination,
and Oversight**

**Partially Complete
System**

Recommendation

Improved monthly internal reports should be created that effectively communicate parking information to all City divisions involved in parking issues. Input on what data to include in these reports should be sought from all parties involved. Distribution of these reports should be expanded to include all parties involved in parking decisions.

Management's Plan of Action

Agree with recommendation. Will establish a formal parking quarterly report that will parallel the City's current Quarterly Revenue Report and Investment Report. This new report will be user friendly and will incorporate multiple years of trend analysis in both the financial and non financial areas.

Follow-up Response

4/2/04 This has been put on hold until the full implementation of Cardinal Tracking is complete. Cardinal offers the ability to generate reports based upon citation issuance, permit type, permit location, end of day reports, financial transactions and individual violation reports. Cardinal offers the flexibility of adding a logo or picture to the report as well as complete customization of reports. The reports in Cardinal will work with Seagate Crystal Reports Professional version

3/06/03 The draft report has been revised to include the new parking garages and the finalized report should be available in August 2003.

5/01/02 Meetings were held that resulted in enhancements to the parking reports. A draft report is currently available, and a finalized report should be available in September 2002.

Department: Finance & Business Services
Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

14. 1. Parking Hearings

**Partially Complete
System**

Recommendation

The Parking Collections Unit should work with IT in automating the hearings scheduling process as currently exists in the Municipal Court. Reports for hearings should automatically be generated from the parking system.

Management's Plan of Action

Agree. IT will be contacted to discuss software that would automate the hearing scheduling process.

Follow-up Response

4/2/04 As mentioned in the follow up responses to 1.1, 6.1 and 6.2 the City Council approved a Purchase Request for an off the shelf Windows based parking application program (Cardinal Tracking). This software package is currently in the testing phase prior to full implementation and has the ability to schedule, track and manage the Hearing Process.

3/06/03 As mentioned in the follow-up responses to 1.1, 6.1 and 6.2, the Parking Collections Unit, IT and Parking Management have reviewed several commercial off-the-shelf applications. A project initiator was signed on February 28 2002 to set aside funding. In addition, a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2002. The current vendor being reviewed has the ability to schedule, track and manage the hearing process.

5/01/02 As mentioned in follow-up response to 6.1, efforts are ongoing with the Finance & Business Services and Information Technologies Departments to select a new system for parking collections, and fiscal year 2003 funding has been set aside for that purpose. The system currently under scrutiny will have the ability to schedule, track, and manage the hearing process.

Department:	Finance & Business Services
Report No.:	1501-0102-02 Audit of Wastewater Pollution Control Facility and Sewer Services

A. 1. 3. North Las Vegas Wastewater Treatment Fees

Partially Complete

Recommendation

Finance should renegotiate the rates being charged to NLV to cover the costs associated with treating their wastewater, facility maintenance, and allocable capital expenditures.

Management's Plan of Action

Staff concurs with the reported condition that the ERU calculations of the city of North Las Vegas (NLV) do not seem to adequately reflect their volume of wastewater. In the fall of 2000, the city of Las Vegas (LV) began negotiations with NLV to resolve these issues. Subsequently, the Finance and Public Works Departments of LV and NLV have reached an agreement in principal that the operating and capital costs of the Wastewater Pollution Control Facility (WPCF) should be shared on the percentage of flow rather than an ERU basis. Capital costs (both debt and cash financed) will be amortized over 20 years and combined with the annual operating costs to determine the shared costs downstream from the NLV interceptor. Additional triggers need to be negotiated for potential variations in the strength of the wastewater, as well as other possible developments such as the construction of water reclamation facilities by NLV. Public Works will meet with Finance to develop a contract review committee and decide what significant contracts need to be monitored and how to do that.

Follow-up Response

4/2/04 We have resumed negotiations with NLV. On March 24, 2003, the Finance and WPCF organizations met with North Las Vegas to establish a framework of negotiating the necessary changes. Under our current agreement, we have the right to change NLV rates as a result of our January 1, 2004 rate increase. Furthermore, NLV has already passed a bill to increase their rates over three years, part of which was fueled by their expectation of a rate change in our agreement. Although a new billing mechanism has not yet been decided, NLV did acknowledge in the meeting that a fair adjustment is necessary. We anticipate that the negotiations will take another three months to finalize.

5/12/03 These concerns will be addressed in the new Interlocal (June 30, 2003) as described in A. 1.1. response.

Department:	Finance & Business Services
Report No.:	1501-0102-02 Audit of Wastewater Pollution Control Facility and Sewer Services

B. 2. 1. Sewer Fee Billings

**Partially Complete
System**

Recommendation

Sewer Services management should change the sewer services billing to a quarterly billing cycle and adjust the penalty policies to align with this change.

Management's Plan of Action

The Business Services Division (BSD) is recommending a proposed Municipal Code change to a quarterly billing cycle where the penalty fee would be assessed on the outstanding balance for the quarter rather than the unpaid balance of the bill. These code changes are projected for implementation around October 2001.

Regarding the incorporation of sewer fees into annual property taxes, we do not believe it is economically or operationally feasible at this time. We estimate that our cost to perform the billing function (including treasury, technology, sewer billing, and mail room support) does not exceed \$250,000 annually. Obviously, this cost is passed on to the property owners in the form of sewer rates. The Nevada Revised Statutes (NRS) would need significant revision to allow the County to include routine City sewer bills with the property tax. Such a change would also require a change in the City billing cycle which is currently based on the start of service, not on the fiscal tax year. Since the NRS currently provides for a 4 percent surcharge by the County Treasurer for the delinquent sewer service charges it collects on the annual property tax roll, it is difficult to imagine they would be willing to handle all sewer billings for less than that statutory rate. Note that this 4 percent fee is passed on to the property owner. If all charges were billed through the County Treasurer, their estimated fees would approach \$1.5 million, far exceeding what the property owners currently pay for City billing service. The City would still be responsible for inspections and customer service inquiries, functions that the County will not be able to execute. Consequently, the Business Services Division does not see an advantage for the rate-payer in using the County Treasurer for all billings at this time.

Follow-up Response

4/7/04 The implementation of the Hansen system has been delayed due to resource allocation to other modules scheduled ahead of Sewer Services for completion. Once thought to be completed in 2004 looks more realistically accomplished in FY06. Unless a directional change is made to make improvements within the Legacy system, then the quarterly billing objective will wait to coincide with Hansen implementation.

3/07/03 The administrative change to quarterly billing requires a change to the Municipal Code. This is intended to be completed at the same time that the Hansen software program is implemented, which is likely to be in the year 2004.

Department:	Finance & Business Services
Report No.:	1501-0102-02 Audit of Wastewater Pollution Control Facility and Sewer Services

B. 4. 1. Performance Reports

**Partially Complete
System**

Recommendation

Sewer Services should create a monthly performance report with additional performance data needed by upper management.

Management's Plan of Action

As mentioned, the BSD anticipates converting the current sewer billing system to the Oracle-based Hansen Industries system. The new system, fully integrated with the planning, building inspection, public works, business licensing, and finance functions, will allow for the creation of many different management reports. In order to best allocate personnel resources (both BSD and Information Technology), no changes will be made to the legacy system, but rather the improved management reports will be focused on the new Hansen system when it is brought up in late Fall, 2002.

Follow-up Response

4/7/04 The same strategy applies as in B. 2. 1 with implementation projected in FY06.

3/07/03 The implementation of Hansen for sewer service billing has been pushed back likely into the year 2004. The same strategy exists today. In progress.

Department:	Finance & Business Services
Report No.:	1501-0102-02 Audit of Wastewater Pollution Control Facility and Sewer Services

B. 4. 2. Performance Reports

**Partially Complete
System**

Recommendation

For information that is not easily accessible from the sewer service system, Sewer Services should work with Information Technologies to access this data.

Management's Plan of Action

As mentioned, the BSD anticipates converting the current sewer billing system to the Oracle-based Hansen Industries system. The new system, fully integrated with the planning, building inspection, public works, business licensing, and finance functions, will allow for the creation of many different management reports. In order to best allocate personnel resources (both BSD and Information Technology), no changes will be made to the legacy system, but rather the improved management reports will be focused on the new Hansen system when it is brought up in late Fall, 2002.

Follow-up Response

4/7/04 The same strategy applies as in B. 2. 1 and B. 4. 1 with implementation projected in **FY06**.

3/07/03 The implementation of Hansen for sewer service billing has been pushed back likely into the year 2004. The same strategy exists today. In progress.

Department: Finance & Business Services
Report No.: 601-0102-04 Audit of City Investments

**6. 1. Proficiency / Training of Backup
Investment Personnel**

Partially Complete

Recommendation

The Treasury Division should have backup personnel trained in all aspects of the investment process and systems.

Management's Plan of Action

Treasury agrees that additional backup training is needed due to the limited number of professional staff assigned to the office.

Follow-up Response

4/2/04 Due to the unfortunate passing of one of our Financial Analyst the backup personnel has changed. We have recently hired a new Financial Analyst who is presently training on our systems. Our new employee has extensive training in investments. Her background is in state and local government cash management and she has title to a Certified Cash Manager (Association for Financial Professionals). She presently has access to all investment programs at the City of Las Vegas and is familiar with our Investment Policy.

3/03/03 The Treasury Division's Financial Anaylst II assigned the backup function now has access to the Sympro investment software and to the Bloomberg financial computer. In addition, a Daily Investment Transaction binder listing the upcoming monthly transactions is maintained.

Department: Finance & Business Services
Report No.: 2002-0102-10 Audit of Professional Services Contracts

1. 1. Professional Services Policy and Procedures **Partially Complete**

Recommendation

Purchasing should review, finalize, and seek formal approval of its professional services policy and procedures.

Management's Plan of Action

A new city wide process for drafting, reviewing, and approving policies and procedures has been delayed due to an administrative reorganization. Consequently, the Finance Department will take the initiative to disseminate department draft documents for review and comment, and ask that the City Manager approve into formal implementation. The Finance Department expects this can be accomplished by June 30, 2002.

Follow-up Response

4/5/04 The revision to the City Council Resolution 145-2001 has not been completed. The draft policy and procedure documents were reviewed and determined to need additional revision prior to issuance.

3/07/03 The draft of a City Council Resolution is under final review by CAO which defines authority to execute contracts and a draft policy and procedure for professional services contracting is complete and under review by Finance and Business Services Management.

Department: Finance & Business Services

Report No.: 2002-0102-10 Audit of Professional Services Contracts

1. 2. Professional Services Policy and Procedures No Progress

Recommendation

Once the professional services policy and procedures are authorized, Purchasing should formally notify and require all city departments to adopt and comply with the approved policy and procedures.

Management's Plan of Action

The dissemination vehicle will be the department's Tribune Intranet web site, and other departments will be expected to print and disseminate copies as needed to those who do not have Intranet access. The Finance Department expects this can be accomplished by June 30, 2002.

Follow-up Response

4/5/04 When policy and procedure documents are completed and approved, City Departments will be notified.

3/07/03 The draft policy and procedure for professional services contracting is complete and under review by Finance and Business Services Management. Upon concurrence, the policy will be submitted for review by the City Manager's Office and, upon approval, subsequently disseminated to City personnel.

Department:	Finance & Business Services
Report No.:	602-0203-04 Audit of Special Improvement District Administration

2. 3. Oversight and Coordination Responsibilities

Partially Complete

Recommendation

The Treasurer's Office should establish procedures and perform periodic review of the accuracy and completeness of SID billings.

Management's Plan of Action

As indicated in the response to Recommendation 2, we will perform the periodic reviews once the Treasury Division has sufficient resources to perform this type of review, we will begin to perform them.

Timetable: Periodic review of the contractor's invoices will be performed when the Treasurer's Office has proper staffing to take on this additional work. We have asked for an additional staff position in the FY 2004 budget request.

Follow-up Response

4/2/04 New staff has been hired and reviews all billings. We are still using a "reasonableness" method to review all contractors. With the new contract awarded (RFP # 040091-CW), the billing method will be much easier to verify charges. We will run a periodic detailed review (on a random basis) to check all charges billed. This process will be included in our SID Policies and Procedures.

Department:	Finance & Business Services
Report No.:	602-0203-04 Audit of Special Improvement District Administration

4. 1. Policies and Procedures

Partially Complete

Recommendation

The City Treasurer's Office should create formal SID policies and procedures, especially addressing issues not clearly specified in NRS or the assessment and bond ordinances.

Management's Plan of Action

We concur. We have drafted an outline of the policies and procedures and we are in the process of seeking comments on the structure of the document.

Timetable: We expect to have the policies and procedures complete by September 30, 2003.

Follow-up Response

4/2/04 Due to the unexpected loss of our "key" SID employee, we have not completed this item. We have a rough draft on areas that need to be addressed in our policies and procedures. Currently we are working with Assessment Management Group (AMG) to complete this task. We are anticipating completing this item by the end of 2004.

Department:	Finance & Business Services
Report No.:	602-0203-04 Audit of Special Improvement District Administration

4. 2. Policies and Procedures

Partially Complete

Recommendation

The City Treasurer's Office, in conjunction with the City Clerk's Office, should establish guidelines for SID related document retention.

Management's Plan of Action

We concur.

Timetable: We expect to have a retention policy, coordinated with the City Clerk's office by September 30, 2003.

Follow-up Response

4/2/04 Due to the unexpected loss of our "key" SID employee, we have not completed this item. Although various SID document retentions are covered with NAC#239 (apportionment reports, ordinances and resolutions are retained through the City Clerks office), financial document retention has not been addressed. We are currently working with the City Clerks Office and our Administrative Secretary to set up the guidelines regarding financial SID document retention.

Department:	Finance & Business Services
Report No.:	602-0203-04 Audit of Special Improvement District Administration

6. 1. Fee Waivers

Partially Complete

Recommendation

The City Treasurer's Office should develop written SID policies and procedures addressing fee waivers. The policies and procedures should address SID fee waiver authority, supporting waiver documentation requirements, and handling of waivers with related parties.

Management's Plan of Action

We concur.

Timetable: We expect to have the policies and procedures complete by September 30, 2003.

Follow-up Response

4/2/04 Due to the unexpected loss of our "key" SID employee, we have not completed this item. Waivers / adjustments will be addressed in our policies and procedures. Currently we are working with Assessment Management Group (AMG) to complete this task. We are anticipating completing this item by the end of 2004.

Department:	Finance & Business Services
Report No.:	602-0203-04 Audit of Special Improvement District Administration

7. 1. Foreclosure Sales

Partially Complete

Recommendation

The City Treasurer's Office should seek legal opinion on the City's application of NRS for foreclosure sales and then establish formal policies and procedures for foreclosure sales.

Management's Plan of Action

The written policies and procedures will encompass the foreclosure sale process. We do not believe that a formal legal opinion is needed on our application of NRS, but we will have our outside counsel review the policies and procedures for compliance.

Timetable: We expect to have the policies and procedures complete by September 30, 2003.

Follow-up Response

4/2/04 Due to the unexpected loss of our "key" SID employee, we have not completed this item. We have a rough draft on areas that need to be addressed in our policies and procedures. Currently we are working with Assessment Management Group (AMG) to complete this task. We will have our outside Bond Counsel review our policies and procedures for foreclosure sales once our SID policies and procedures are near completion. We are anticipating completing this item by the end of 2004.

Department:	Finance & Business Services
Report No.:	602-0203-04 Audit of Special Improvement District Administration

8. 1. Certificate Redemption

Partially Complete

Recommendation

The City Treasurer's Office should seek a legal opinion with regard to redemptions beyond the redemption period to ensure the City is in compliance with NRS. Policy and procedures on this issue should be established.

Management's Plan of Action

The NRS does not prohibit redemptions after the stipulated period. Further, management strongly believes that it is in everyone's best interest to allow for redemption after the stipulated period for a variety of reasons, most significantly having to do with the certificate holder's lack of proper notice to the homeowner. This issue will be covered in our written policies and procedures.

Timetable: We expect to have the policies and procedures complete by September 30, 2003.

Follow-up Response

4/2/04 Due to the unexpected loss of our "key" SID employee, we have not completed this item. We have a rough draft on areas that need to be addressed in our SID policies and procedures. Currently we are working with Assessment Management Group (AMG) to complete this task. We will have our outside Bond Counsel review our SID policies and procedures for redemption period limitations once near completion. We are anticipating completing this item by the end of 2004.

Department:	Finance & Business Services
Report No.:	602-0203-04 Audit of Special Improvement District Administration

9. 2. Account Reconciliations

Partially Complete

Recommendation

The City Treasurer's Office should complete the reconciliation between SID deposits per the bank, the billing contractor, and the general ledger on a monthly basis.

Management's Plan of Action

We concur. However, until we have adequate staffing to perform this work, we will be unable to keep these reconciliations current.

Timetable: We have asked for an additional staff position in the FY 2004 budget request.

Follow-up Response

4/2/04 Due to the unexpected loss of our "key" SID employee, we have not completed this item. Reconciliation between the billing contractor (AMG) and general ledger is completed on a monthly basis. The reconciliation between bank deposits, the billing contractor (AMG) and general ledger is still a work in progress. We implemented "Activity Codes" for our customer deposits which have proved to be very helpful in identifying which SID the monies belong to (all Summerlin SID's deposit into 1 account). We are currently working with our Budget Division to setup new "Funds" for the individual Summerlin SID's. This will be helpful and facilitate our 3-way reconciliation (bank, contractor, and G/L). We anticipate completing this by June 2004.

Department:	Finance & Business Services
Report No.: 2200-0203-06	SPECIAL REPORT:
	Unannounced Petty Cash Counts

1. 1. Unannounced Petty Cash Counts

Partially Complete

Recommendation

The City Treasurer's Office should create formalized policies and procedures for petty cash funds to bring standardization to the administration and handling of city petty cash funds and to improve the controls surrounding these funds. These policies and procedures should address fund custodian responsibilities, authorized fund expenditures, documentation standards, fund reconciliation requirements, management/supervisor approval requirements, replenishment guidelines, and physical security requirements. The petty cash fund deficiencies noted in this report should be addressed in creating the policies and procedures.

Management's Plan of Action

Concur with the Auditor's recommendation. The Treasurer's office will expand the existing Operations Manual petty cash policies and procedures to address the deficiencies noted in the report.

Timetable: A draft copy of the expanded petty cash policies and procedures will be complete and submitted for Management's review by August 1, 2003.

Follow-up Response

4/2/04 Petty Cash Policies and Procedures have been drafted and are currently under the review of our Department Director.

Department:	Finance & Business Services
Report No.: 2200-0203-06	SPECIAL REPORT:
	Unannounced Petty Cash Counts

1. 2. Unannounced Petty Cash Counts

Partially Complete

Recommendation

The City Treasurer's Office should educate city employees on the new policies and procedures.

Management's Plan of Action

Concur with the Auditor's recommendation. The new petty cash policies and procedures identified in Recommendation 1 will be introduced to employees within one month of management's final approval. Also within one month of final approval, educational classes will be conducted for directors and the custodians of petty cash funds. In addition, any new directors or custodians will receive petty cash training from the Treasurer's office.

Timetable: Within 30 days after City Manager approval.

Follow-up Response

4/2/04 Education of our City of Las Vegas employees on petty cash policies and procedures is addressed in our new Petty Cash Policies and Procedures draft which is currently under the review of our Department Director.

Department:	Finance & Business Services
Report No.: 2200-0203-06	SPECIAL REPORT:
	Unannounced Petty Cash Counts

1. 3. Unannounced Petty Cash Counts

Partially Complete

Recommendation

The City Treasurer's Office should establish procedures to ensure the accuracy of their records of outstanding petty cash funds. The records should include at a minimum the petty cash fund locations, amounts, and custodians. Measures should also be taken to identify unknown petty cash funds that may exist.

Management's Plan of Action

Concur with the Auditor's recommendation. Steps will be taken to ensure that more accurate records are maintained. The policies and procedures mentioned in Recommendation 1 will address records maintenance and reconciliation.

Timetable: A draft copy of the expanded petty cash policies and procedures will be complete and submitted for Management's review by August 1, 2003.

Follow-up Response

4/2/04 Our policies and procedures for petty cash addresses the recording of all items including petty cash fund location, amounts and custodians. The Petty Cash Policies and Procedures draft is currently under the review of our Department Director.

Department:	Finance & Business Services
Report No.: 2200-0203-06	SPECIAL REPORT:
	Unannounced Petty Cash Counts

1. 4. Unannounced Petty Cash Counts

Partially Complete

Recommendation

Considering the availability of the new city P-Card program (city authorized credit cards) for department expenditures, the City Treasurer's Office should take measures to identify unnecessary petty cash funds and further minimize the number of petty cash funds.

Management's Plan of Action

Concur with the Auditor's recommendation. The new policies and procedures addressed in response to Recommendation 1 will include guidelines on the appropriateness of petty cash verses P-Card transactions. Furthermore, the procedure will direct the Treasury Office to periodically review petty cash transactions for their application to the P-Card methodology, and to direct departments and their custodians accordingly. P-card policy and procedures will also be reviewed to ensure that petty cash policies and procedures are in compliance.

Timetable: The timetable should coincide with Recommendation 1.1.

Follow-up Response

4/2/04 The Treasury is reviewing all petty cash reimbursements to determine what purchases should utilize our P-card program. Departments are notified when such instances occur.

Department:	Finance & Business Services
Report No.: 2200-0203-06	SPECIAL REPORT:
	Unannounced Petty Cash Counts

1. 5. Unannounced Petty Cash Counts

Partially Complete

Recommendation

The City Treasurer's Office should routinely perform unannounced petty cash fund counts and reconciliations and evaluations of the physical security of the funds throughout the City. In addition, the Treasurer's Office should adopt procedures to ensure department directors or their designees are performing and documenting unannounced inspections of their petty cash funds.

Management's Plan of Action

Concur with the Auditor's recommendation. The policies and procedures that are referenced in Recommendation 1 will require that the Treasury Office perform periodic evaluations and audits of all petty cash funds, as well as require department management perform and document unannounced inspections of the petty cash funds in their custody, forwarding the results to the Treasury Office.

Timetable: The timetable should coincide with Recommendation 1.1.

Follow-up Response

4/2/04 Our goal is to conduct 2 unannounced petty cash fund audits per month. Our Petty Cash Policies and Procedures draft is currently under the review of our Department Director. In the interim, we have issued a memorandum dated 7/25/03 to all Department Directors and Managers advising them of petty cash requirements currently in place pending the approval of our drafted Policies and Procedures.

Department:	Fire & Rescue
Report No.: 1999-08	Fire & Rescue Services

E. 1. i Maintenance Cost Tracking

**Partially Complete
System**

Recommendation

Support Services should obtain a fleet maintenance program that accommodates fire apparatus.

Management's Plan of Action

The Department is currently working with IT and the City Maintenance Division in evaluating and incorporating a new fleet maintenance program. This is projected to be online in two months. Management will also evaluate the Shop's practices in tracking and documenting labor, and will ensure that actual work hours are tracked.

Follow-up Response

3/30/04 Sunpro has a maintenance tracking program and we are evaluating its use.

4/07/03 Still waiting for this portion of the Hansen Project. According to Mary McQuoid in Finance, the portion of the Hansen Project for tracking maintenance items is scheduled to be on line by December 31, 2003.

4/26/02 We are still waiting for the City of Las Vegas to go forward with the Hanson Project.

10/19/01 This changed due to the City's involvement with the Hansen project. A portion of the Hansen project deals with maintenance cost tracking. We will be utilizing this project once it comes on-line.

Department:	Fire & Rescue
Report No.:	1999-08 Fire & Rescue Services

E. 3. i Parts and Service Purchasing

Partially Complete

Recommendation

Purchasing should assign a Buyer to Support Services who will acquire expertise dealing with vehicle maintenance repairs and establishing blanket purchase orders.

Management's Plan of Action

Having a buyer within the Department would be a great help, not only for Support Services but to expedite all Department purchasing needs. We will be requesting this position in the next budget year. Support Services is also working to increase the number of blanket purchase orders.

Follow-up Response

3/30/04 No real status changes from last entry. We are training all Oracle preparers to limit errors and help Ken Falline with his workload. We have also held meetings to discuss purchasing issues and to look for recommendations.

4/07/03 We now have a Senior Buyer, Ken Falline, "dedicated" to the Fire Department by Kathy Rainey, Purchasing and Contracts Manager. Although, this is helpful on an immediate basis, a full-time Senior Buyer was again requested in the FY2004 budget to accommodate continued future growth.

4/26/02 The Senior Buyer position was not approved in the FY2003 Tentative Budget.

10/19/01 A Senior Buyer was requested in the FY01 and FY02 budgets but was denied both times.

Department:	Fire & Rescue
Report No.: 1999-08	Fire & Rescue Services

E. 3. ii Parts and Service Purchasing

**Partially Complete
System**

Recommendation

Support Services should record the ordering and receiving times for parts.

Management's Plan of Action

The time lag in ordering and receiving parts can be tracked easily through the ORACLE record. If parts are critical, the buyer will often expedite the process; we have received authorization for repairs in a matter of minutes if a critical need is expressed.

Follow-up Response

3/30/04 Waiting for the Oracle inventory control portion. No status updates to date.

3/07/03 There is a program offered by E-Business (through Oracle) which tracks inventory orders. According to Mary McQuiod in Finance, this is going to be tested and experimented with but no timetable was given at this time for acceptance and implementation.

4/26/02 We are still waiting for the City of Las Vegas to go forward with the Hanson Project.

10/19/01 With the standardization of our fleet, this year has made stocking parts much simpler since all of our units are alike. Also when the Hansen Project is completed, it will assist our Service Writer in this area.

Department: Human Resources
Report No.: 501-0001-06 Audit of Safety/Loss Control

2. 1. Vehicle Accidents

Partially Complete

Recommendation

The City should establish long-term and short-term goals to reduce vehicle accidents.

Management's Plan of Action

Insurance Services agrees with each of the audit report recommendations.

While the average cost per vehicle accident is relatively low, any vehicle accident places the City at risk for suit under the tort claims statutes, and carries the risk of serious injury or loss of life of either a valued employee or an equally valued citizen. Accidents involving only City vehicles, with no bodily injury, still may result in increased maintenance and repair costs.

A vehicle safety initiative launched in 1998, called "The Road to Safety", was moderately successful. It involved an incentive program based on a number of factors such as hours driven, completion of defensive driving classes, and motor vehicle maintenance. The program resulted in a 40% reduction in the number of vehicle accidents deemed to be the fault of our employees. However, it required the participation and support of all departmental managers, and while some embraced the program, others were not prepared to dedicate the time needed for individual employee record-keeping. It was not continued.

Employees who are allowed by their supervisors to operate a City vehicle without attending initial or refresher driver training programs do so in direct violation of company policy. Insurance Services provides a monthly report to every department on the status of their driving employees. The departments are instructed to schedule their employees for such training, and they are reminded that employees who are not in current status must not be allowed to operate a City vehicle. A City vehicle backs up.

As indicated elsewhere in the audit report, in the case of preventable accidents, discipline is unevenly enforced. Employees involved in preventable accidents often see no negative consequences. In addition, the audit reported that an observation of 56 City vehicles showed 37 were operated by City employees without seatbelts. We find this totally unacceptable, and again, in direct violation of City policy. An employee using a City vehicle without a seatbelt should be immediately subject to discipline. However, that appears not to be the case.

Unfortunately, Insurance Services cannot mandate accountability or participation from any department or division. Therefore, we whole-heartedly support the establishment of short and long term vehicle accident and injury reduction goals, and believe that operational management must be held accountable for implementation of policies designed to achieve those goals, including those policies already established, but under-enforced. Aggressive educational goals and disciplinary

Department: Human Resources
Report No.: 501-0001-06 Audit of Safety/Loss Control

guidelines will be included in the proposed comprehensive safety initiative previously discussed in this memo.

In the interim, Insurance Services will assist individual divisions to establish and implement effective action plans to reduce vehicle accidents. Meetings will be scheduled with each division, currently using fleet vehicles, to review their vehicle accident records and establish vehicle accident reduction plans. This activity will be accomplished by June 30, 2000. However, it should be noted that without management support, we will only be able to recommend activities, not enforce them.

Follow-up Response

4/9/04 The Safety First program, with its increased emphasis on safety and safe driving practices, (training, contests, discipline), has further reduced the number of preventable vehicle accidents from 85 in calendar year 2002 to 81 in calendar year 2003, a 4.7% reduction. The City's Safety Oversight Subcommittee has made several additional recommendations such as the installation of back-up alarms on city vehicles, the placement of traffic cones behind any vehicle parked in an area requiring backing up when exiting, and mandatory disciplinary actions. In addition, teams from Insurance Services, Fleet Services and Fire Services are all involved in developing enhanced driver training programs to further reduce preventable vehicle accidents.

3/11/03 The safety/loss control consultant was unable to successfully establish vehicle accident goals with the various departments. However, accident statistics were reviewed with each department, and educational programs and safety meetings were put in place. The result was that the number of preventable accidents (accidents in which the City employee was found to be at fault) dropped from 117 in Calendar Year 2001 to 85 in Calendar Year 2002, a 27% reduction. A new safety/loss control consultant is expected to begin working with the City in April, 2003. Insurance Services will continue to work with that consultant to establish additional programs which reduce the number of preventable vehicle accidents.

4/15/02 A safety/loss control consultant has been contracted. He is currently working with the individual divisions to establish appropriate safety goals.

Department: Human Resources
Report No.: 501-0001-06 Audit of Safety/Loss Control

3. 1. Self-Insurance Funds

**Partially Complete
System**

Recommendation

The City should require actuarial studies be done for its self-insurance funds at least on a bi-annual basis.

Management's Plan of Action

Insurance Services contacted Mark Vincent, Director of Finance, to discuss the current actuarial studies done on reserves, and request his opinion on the scope and timing of actuarial studies specific to the self-insured trust funds. We have received his response recommending such a study, and have begun investigating possible vendors. Depending on the length of time required to obtain a vendor and complete the contracting process, the study could be underway by June, 2001.

Follow-up Response

4/9/04 Insurance Services solicited proposals from 4 actuarial firms, and selected one. However, due to computer system deficiencies, we were unable to have an actuarial study done of the entire workers' compensation claims liability. A new computer system is expected by July 1, 2004, and the study will be completed at that time. However, an actuarial study of retired firefighters was performed, and the liability associated with their presumptive benefits, in conjunction with several other municipalities. Based on that study, the Workers' Compensation Trust Fund was deemed to have adequate funds for those future liabilities. A copy of the cover sheet for the study will be sent to the auditor.

3/11/03 Four responses were received and a vendor selected. However, our computer system was unable to provide the data in the format required by the actuary. This study will be revisited once our Pyramid software is updated or we install new software. The ability to format data suitable for actuarial study is a requirement on the software RFP. It should be noted that KPMG reviewed the current workers' compensation claims and reserves and determined the reserves to be adequate.

4/15/02 A Request For Proposal has been sent to four providers. Four responses were received. A decision on the most appropriate provider will be made by 5/1/02.

Department: Human Resources

Report No.: 502-0203-05 Audit of Insurance Services -- Employee Benefits

3. 2. Insurance Plan Components

Partially Complete

Recommendation

Insurance Services should consider, evaluate, and document options which provide employees incentives to live healthier lifestyles (non-smokers, going to a gym) and limit usage of medical services.

Management's Plan of Action

Insurance Services has negotiated reduced rates for our employees with both 24 Hour Fitness and Las Vegas Athletic Club, and regularly advertises these arrangements. Smoking cessation classes have been regularly scheduled and unfortunately, poorly attended. Often, employers provide incentives in the form of reduced premiums to encourage healthy lifestyles. However, since the City employees do not pay for their insurance coverage, it is difficult to improve on "free".

Over the life of the self-insured plan numerous changes have been made in an effort to contain costs. The prescription drug plan has been changed dramatically to encourage generic drug usage and ensure that employees pay an appropriate share of the cost of the more expensive brand name drugs. Co-pays, out-of-plan deductibles and total out-of-pocket costs have been increased. In 2002, the rates for active employees and retirees, that had been previously blended, were separated, so that the retirees' rates were more reflective of their actual costs to the plan.

Prior to the inception of the 2004 plan year the Insurance Committee will be asked to consider various methods to further contain costs. Those alternatives may be increased co-pays for physician's visits, a co-pay for generic drugs (currently no co-pay is required), a threshold deductible for all plan members, or other alternatives as recommended by our health care consultant or our Pharmacy Benefit Manager. They will also be asked to consider alternative health care delivery systems, such as consumer driven health care programs, or a fully-insured program, if one is made available by an insurer.

Insurance Services will continue to monitor costs of the plan on a monthly basis and make recommendations on cost containment to management.

Timetable: Program monitoring is done on a continuous basis. Insurance Committee decisions for the 2004 plan will be completed and implemented on January 1, 2004.

Follow-up Response

4/9/04 As of 3/1/04, a consumer-driven health care plan is offered to city employees. This plan has wellness and behavioral incentives, as well as health and wellness coaches and nurses. The CHIP group health plan was revised to include a deductible and co-insurances, designed to encourage more judicious usage of the healthcare system. A group has been formed with representatives from HR and the Fire Services to explore wellness options, such as an on-site fitness center, an on-site clinic, on-site wellness coordinator, etc. Analysis and development of this program is on-going.

Department:	Human Resources
Report No.:	502-0203-05 Audit of Insurance Services -- Employee Benefits

**11. 1. Medical and Dependent Care
Flexible Spending Accounts**

Partially Complete

Recommendation

Insurance Services should develop a contract with its current 125 plan administrator to ensure the agreed upon terms are clearly defined.

Management's Plan of Action

Insurance Services agrees. BenefitElect has been contacted and they are working with Insurance Services to develop a contract acceptable to both parties. It will then be reviewed by the Legal Department and finalized.

Timetable: Completion is anticipated by July 1, 2003.

Follow-up Response

4/9/04 The contract was developed, and sent to the Legal Dept. for review. It has not yet been signed. We have contacted the Legal Department to see what has necessitated the delay. As soon as we receive the contract from the Legal Dept., we will facilitate getting it signed by Benefit Elect.

Department:	Human Resources
Report No.:	502-0203-05 Audit of Insurance Services -- Employee Benefits

13. 1. Office Procedures

Partially Complete

Recommendation

Insurance Services should update the current office procedures manual, make employees aware of the manual, and keep it updated as needed.

Management's Plan of Action

Insurance Services agrees. Employee Benefits personnel have been asked to complete the updates of the manual by July 1, 2003 and update no less than annually thereafter.

Timetable: Completion is anticipated by July 1, 2003.

Follow-up Response

4/9/04 Manual revision was completed July, 2003. However, as of 3/1/04, the city's insurance coverages have changed significantly. Insurance Services staff are now working, as time permits, to update the manual to incorporate the new changes.

Department:	Information Technologies
Report No.: 1999-02	Information Technology Operations

D. 3. Sun Solaris Administration

Partially Complete

Recommendation

GIS management should have the current system administrator cross train another system administrator to ensure the City has a backup in case of emergency.

Management's Plan of Action

Sun System Administration - GIS management will initiate a dialog with the Programming & Analysis Manager in an attempt to leverage senior technical staff members. The first suggestion will be that the two UNIX system administrators meet monthly to familiarize each other with their systems and to update each other on system changes. These meetings should start no later than June 30, 1999. The second suggestion will be for the GIS system administrator to begin sharing documentation of all critical aspects of system operation with selected personnel from Programming & Analysis. This should begin no later than June 30, 1999 OPEN (July 2000)

Follow-up Response

4/7/04 Most of the user community has been migrated from the Sun machine to the NT machine. There are still some issues with ESRI that have restricted the final migration. As stated earlier, IT has three Systems personnel familiar with the Unix O/S and also has two Development staff members familiar with the GIS and ESRI components. Additionally, the Quality Assurance Administrator is working with GIS personnel to document the ESRI/GIS processes. This project is scheduled to be completed by the end of the current fiscal year. IT feels that these actions are adequate until final migration which is expected to occur within the current calendar year.

3/05/03 The SDE component of the GIS environment has been migrated to the NT platform. The pilot of the NT-based GIS workstations indicated some performance issues. IT is working with ESRI to resolve these issues before migrating completely to the NT platform.

4/22/02 IT is currently piloting workstation-class GIS workstations as a prelude to moving all GIS services to the NT platform. IT estimates the migration to be complete by calendar year end, 2002. Once complete, the Sun Unix systems are planned to be decommissioned, and the current GIS administrator transitioned to the NT environment.

10/11/01 Some of the GIS computer architecture is being migrated to an NT server/workstation platform, providing expanded system administrator resources. There has been some progress on sharing of Unix administration for GIS.

Department:	Information Technologies
Report No.: 2000-01	Citywide Payroll Process

E. 2. iii Access Control

**Partially Complete
System**

Recommendation

The System Administrator should be notified by pager, email, or other method if a user fails to gain access to the system after a certain number of attempts. In addition, the system administrator should review system access logs daily.

Management's Plan of Action

IT agrees that it is important to detect and take action, when appropriate, on invalid access attempts. Since the system administrators are not on duty 24 by 7, it would not be feasible to notify them of every failed access attempt. If the notification was via email, a failed access attempt that occurred after hours would not be discovered until the next work day. If the attempt is a break-in, the delay would be unacceptable. Pager notification would be very expensive, since the City has a number of different platforms and each has an administrator. The solution would require several system administrators be given pagers and subsequently be paid on call pay 24 by 7. Since most of the failed access attempts are user error or expired passwords, this solution would not be cost effective. As an alternative, IT is trying to get the current Computer Operators job description reclassified to allow them to accomplish some of these functions. The Computer Operators, who are 24 by 7, would be tasked with reviewing logs and doing an initial analysis for any failed access attempts. If it is felt that the attempt requires further actions, the operator will contact the appropriate system administrator. If this reclassification is not approved then IT will look into other solutions.

Follow-up Response

4/7/04 IT is in the process of implementing tools that monitor and report any behavioral attacks on the infrastructure. These tools go beyond just monitoring invalid access attempts, which are in most cases legitimate employee error. IT has recently purchased Aprisma with allows for enhanced monitoring and is testing an intrusion detection/prevention system from Internet Security Systems. The following are links to the sites that detail the products: http://www.iss.net/products_services/ and <http://www.aprisma.com/products/>. IT is also implementing Active Directory as noted in the last response. When each of these activities has been completed, IT will have the capability to monitor and report on any behavioral attack.

3/05/03 IT is currently evaluating third-party tools that promise to help identify trends and take prescriptive actions. Implementation of Active Directory (AD) is scheduled the month of July, 2003.

Department:	Information Technologies
Report No.: 2000-01	Citywide Payroll Process

AD gives us the ability to assign administrative roles and tasks to a much more granular level than the OS presently provides.

4/22/02 Site Scope and Shadow Security Scanner have been identified and installed for system monitoring and staff notification functions. IT is evaluating a third package that would allow baseline server and router configuration delta reporting. Physical system log monitoring is still done manually. Automated tools for event identification and reporting based on system logs are targeted for evaluation in Fiscal 2003 pending available funds.

10/11/01 Computer Operators have been reclassified to Computer Systems Technicians, whose new role will include the monitoring of system logs. Full implementation will result after appropriate systems training is complete in September 2001.

E. 6. v Root Access

**Partially Complete
System**

Recommendation

IT should regularly run security tools to ensure the integrity of the operating system.

Management's Plan of Action

IT will research tools for checking security and implement viable solutions. (Target Completion Date: June, 2000)

Follow-up Response

4/7/04 IT is testing an intrusion detection/prevention product from Internet Security Systems (<http://www.iss.net/product>) that will monitor the infrastructure and report on anomalies. Additionally, IT has auditing processes in place to monitor any changes to operating systems to ensure integrity is maintained.

3/05/03 IT is in the process of third-party product evaluations. Funding still remains an issue.

4/22/02 Automated tools for event identification and reporting based on system logs are targeted for evaluation in Fiscal 2003 pending available funds.

10/11/01 The Information Security and Contingency Administrator has requested funding for tools to check systems security, but funding has not been gained for this project.

Department:	Information Technologies
Report No.:	2101-0102-09 Audit of Information Technology Security

3. 2. Incident and Intrusion Monitoring, Detection, Handling, Reporting, and Logging	Partially Complete System
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Recommendation

IT Management should identify, evaluate, and document:

- Key system auditing/logs that should be enabled, monitored, and reviewed for discrepancies on a regular basis;
- System auditing tools that could be used to increase monitoring of systems; and
- A formal system monitoring program including assignment of responsibility for reviewing system auditing/logs and identification of frequency of review of logs.

Management's Plan of Action

The audit reports that "No system auditing/monitoring tools are in use". In actuality, the NT/Win2K, UNIX, and Unisys have the equivalent to security, application, and event logs enabled and capturing data. Additionally the various business applications have audit logs and audit trails in use. The auditor may have been referring to reporting tools that help sort and sift through the multitude of logs and help alert staff to serious events. IT has reviewed and weighed the value of several solutions, such as CA/Unicenter, but found the cost to be prohibitive (>\$200K). Recently, a flyer for a new tool, designed to aid in monitoring and reporting NT/Win2K logs was received by IT and is currently under review. As reported in a previous audit, IT intends to train and use the Computer Systems Technicians to augment the Systems Administration Specialists in systems monitoring. Prerequisite to that, however, is sufficient training for the Computer systems technicians, and the allowance of sufficient systems privileges to perform the task. IT will formalize monitoring tasks and procedures, while continuing the technician training, evaluating tools, and weighing access requirements. Monitoring tools will be purchased as budget funds are available.

Timetable: Process formalization – August 2002
Personnel training/access – March 2003
Tools evaluation/purchase – November 2002

Department:	Information Technologies
Report No.: 2101-0102-09	Audit of Information Technology Security

Follow-up Response

4/7/04 The Systems Division has completed a final assessment of intrusion detection/prevention systems and is testing a product from Internet Security Systems. Information on the product can be found at <http://www.iss.net/>. This project was delayed by other operational priorities but should be completed in the current calendar year. IT will document the system implementation and will address the items noted in the Audit recommendation during that implementation.

3/05/03 Operations staff is currently monitoring an event reporting system. Evaluation of third-party Intrusion Detection/Prevention tools is in progress. Evaluation of one of these tools is scheduled for completion approximately the end of April, 2003.

8. 6. System Access and Authentication

**Partially Complete
System**

Recommendation

IT should restrict the hours of access to the city network, where feasible. For example, hours of usage could be restricted during weekends and between 8 pm and 5 am for the majority of employees. Justification should be required for those requesting extending hours.

Management's Plan of Action

Access restrictions based on hours worked would be an administrative burden and would hamper anyone from working outside of their predefined work hours. Since City Departments work 24 by 7 and systems and applications must be available 365 days per year, access restrictions would not significantly increase overall security.

Timetable: N/A -- Closed

Follow-up Response

4/7/04 The City Manager's Office, in conjunction with IT, looked at the feasibility of restricting access hours by user or class of user. It was found that over 1500 of the 2500 computer users have some type of alternate work schedule or dynamically changing shifts. Fire Suppression (475 Firefighters, Captains and Battalion Chiefs), Detention and Enforcement (55

Department:	Information Technologies
Report No.: 2101-0102-09	Audit of Information Technology Security

Marshals and 200 Corrections Officers), Fire Communications (50 personnel), IT Systems and Support (30 personnel), Public Works (100 Environmental personnel, 20 Traffic Signal personnel, 20 Signs and Marking staff, and numerous Sanitation and Sewer staff) all have personnel that work either 24 hour shifts, have changing schedules or are on-call seven days per week. In addition, there are over 300 Leisure Services personnel that work on extended shifts and weekends based on the hours of the leisure facilities and events taking place. There are in excess of 100 people who use Remote Access capability to log in during their off hours to complete off shift duties. In addition to the over 1500 people that have shift changes and 24 by 7 access requirements, many of the remaining personnel have alternate work schedules or are appointive and can be called it at any time. These issues would require IT to set acceptable logon hours individually for each employee. Furthermore, these schedules can be changed for operational reasons or upon employee request at any time. Additionally many of these people are asked to work on their AWS day off, in many cases, with little or no notice. IT is planning to implement Active Directory (AD) which will provide the capability for IT to implement profile based access groups. This will allow IT to monitor, control and manage users based on their operational needs while provided a better managed and more secure infrastructure. AD will allow enhanced access controls without an unnecessary burden on administration staff.

3/03/03 Many departments have 24 by 7 needs and shifts are frequently changed for those workers. If IT had to change an individual's hours of access every time there was a change of shift, the administrative burden would be excessive. IT does not feel that the benefit would be worth the overhead expense and accepts the minimal risk resulting from open access hours. IT does not agree with this finding and plans no further action.

Department:	Information Technologies
Report No.: 2101-0102-09	Audit of Information Technology Security

9. 1. Domain Administrator Rights

**Partially Complete
System**

Recommendation

IT Management should evaluate methods by which a subset of Domain Administrator Rights can be granted to non-system administrator employees with such a need to perform their job.

Management's Plan of Action

Before access was given to the Computer Systems Technician and the Microcomputer Support Supervisor, IT looked at the security ramifications of this decision. At the time both individuals needed Domain Administrator access to complete some of their work and to meet the needs of the City. It has always been the IT department's policy to provide administrator rights to only the staff that require those rights. Having only 5 people with administrative rights with the number of servers in place and with a total the staff of approximately 100 does not seem to be too many people with this authority. IT will review the current processes and make appropriate changes. The ADMINISTRATOR account is restricted to only three Systems Administration Specialists.

Timetable: Re-evaluation targeted for completion June 30, 2002.

Follow-up Response

4/7/04 As noted in the previous response, IT was planning to implement Active Directory (AD). The implementation date was delayed due to other operational priorities but a new project plan is currently being developed. Once AD is implemented further restrictions may be possible, although IT still believes that Domain Administrators rights are adequately controlled for an organization of this size.

3/03/03 Domain administrator rights are restricted as much as is feasible for this environment. Any further restriction would preclude individuals from completing their assigned tasks. A review of current processes has determined that no changes are feasible. When Active Directory is implemented, further granularity may be possible. IT will analyze its use of domain administrator rights as Active Directory is implemented and will make changes as deemed appropriate.

Department:	Information Technologies
Report No.: 2101-0102-09	Audit of Information Technology Security

10. 1. Root Access

**Partially Complete
System**

Recommendation

IT Management should develop and document a policy outlining what positions should have root access and make changes as necessary to the access of those who currently have root access.

Management's Plan of Action

IT has evaluated the need for appropriate access numerous times and has made adjustments when deemed necessary. IT has documented a ROOT ACCESS policy and will provide copies to the CAO. IT will continue to review UNIX root access as third-party products improve, and will make changes if possible.

Timetable: Continual. Next evaluation targeted for June 30, 2002.

Follow-up Response

4/7/04 Policy and Procedure documents have been drafted detailing our process for determining the need for root access. They can be made available to Audit upon request. As noted previously, there were still no products found that assisted in the restriction of root access. IT reiterates that the root access is restricted as much as feasible for this environment and will continue to searching for tools, although it is doubtful any are forthcoming.

3/03/03 No products were found that can assist with the restriction of root access. IT feels that the root access is restricted to only those people that require it for their daily functions. IT is searching for tools to assist with this.

Department:	Leisure Services
Report No.: 1999-09	Department of Leisure Services - Recreation Division

A. 1. Master Plan

No Progress

Recommendation

Leisure Services management should review, monitor, and as necessary update the Master Plan to ensure a focused direction for the City's recreation facilities and programs.

Management's Plan of Action

Leisure Services Director and Division Managers will periodically review, monitor, and update the Master Plan.

Follow-up Response

4/1/04 LS has been focused on acquiring accreditation, and now that full accreditation has been attained, LS will now concentrate on completing its 5 year Master Plan. This task has been assigned within the department with an anticipated completion date of 2/01/05.

3/06/03 A determination has been made that a completed Master Plan is not a requirement to obtain full accreditation. However, LS is making progress and continues to work towards updating its Master Plan.

5/10/02 The recently completed Parks Master Plan and Community Needs Assessment play a major role in assisting LS to update its Master Plan. Both documents provide empirical & statistical data that will assist LS with its review & update. LS is pursuing accreditation through CAPRA (Commission for Accreditation of Park and Recreation Agencies), and having a Master Plan is one of the requirements. LS will continue to work to review, monitor and update its master plan in pursuit of department accreditation. Projected completion date: 12/02

10/12/01 Ongoing Project.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

D. 3. ii Resident Preference

Partially Complete

Recommendation

Leisure Services should consider setting a standard fee for all programs and giving residents a discount since they pay property taxes which support City programs.

Management's Plan of Action

Leisure Services Management will analyze the impact to customers and staff regarding City residents preferential treatment for early registration, reduced fees and other benefits. Analysis to be completed by April 2000.

Follow-up Response

4/1/04 The 2004 fee project has moved the Department closer to a standard fee and consistency in fee application. That project continues to be refined and developed. Pricing differently for citizens of the City as opposed to citizens from other jurisdictions in the valley has not been implemented as that recommendation is contrary to the operational behavior of every other governmental entity in the valley. In addition, the ability to track non-residents in the CLASS software system requires further exploration.

3/06/03 LS will complete the evaluation of this recommendation and address it in the Fee and Charegss Policy to be completed in 7/03.

5/10/02 LS has created an internal committee to develop policy that will outline a process by which all fees go through an annual review. The policy will address the establishment of fees; how, why, and when fees will be increased; and cost recovery.

10/09/01 The current Manger responsible for this section is retiring shortly and the new Manager or acting Manager will assume this project.

Department: Leisure Services
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

10. 5. Park Reservations

**Partially Complete
System**

Recommendation

Leisure Services management should evaluate and document additional methods by which park facilities could be reserved (i.e., phone, internet).

Management's Plan of Action

Although Leisure Services is working with the Information Technology Department to explore different mediums for reserving parks, reserving a park over the phone is not currently viable because of the following:

- Patrons are required to provide payment at time of reservation
- Leisure Services is not currently set up to receive credit card information telephonically due to the numerous variables attached to park reservations, i.e. air jumpers, disc jockey, generators, etc.

Upon completion of the install of the new recreation software "CLASS", customers will have the ability to make phone and internet reservations.

Timetable: Four – Six months.

Follow-up Response

4/1/04 CLASS is fully implemented and customers can reserve and pay for classes and activities online. However, because of the numerous variables attached to facility/park reservations, CLASS does not yet have this functionality. LS will continue to work with CLASS to determine if this is a future possibility.

Department: Leisure Services
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

11. 3. Park Ambassador Program

Partially Complete

Recommendation

Leisure Services should take measures to expand the number of volunteers in the Park Ambassador program to permit increased coverage of the city parks. Consideration should be given to increased involvement by non-senior citizens, civic organizations, and neighborhood associations.

Management's Plan of Action

The Senior Citizen Programs Division will develop a task force to study the Senior Park Ambassador Program's coverage of city parks and the increased involvement of non-senior and outside groups.

Timetable: Complete study by February, 2003.

Follow-up Response

4/1/04 The Task Force has been developed to study the Park Ambassador Program and a proposal has been put in place to expand coverage of all city parks. Various community service organizations have been approached to volunteer their services.

Department: Leisure Services
Report No.: 1701-0203-03 Audit Of Parks And Open Spaces

11. 4. Park Ambassador Program

Partially Complete

Recommendation

Leisure Services in conjunction with the City Manager's Office should evaluate and document whether the Park Ambassador program would be better overseen by a division outside of the Senior Services division to further increase involvement by non-senior citizens.

Management's Plan of Action

The above-mentioned Senior Citizen Programs Division task force will work with the Parks Division and City Manager's Office to evaluate the Senior Park Ambassador Program's increased involvement of non-senior citizens and program supervision.

Timetable: Complete evaluation and make recommendation by February, 2003.

Follow-up Response

4/1/04 The Task Force has determined, at the present time, the Senior Citizen Programs Division should oversee the Park Ambassador Program until an increase of non-senior involvement is established.

Department:	Municipal Court
Report No.: 1999-07	Las Vegas Municipal Court

B. 2. ii Transaction Receipts

**Partially Complete
System**

Recommendation

Consecutive receipt numbers should be automatically generated by the System, retained within the System for reference, and printed on the receipts.

Management's Plan of Action

Preliminary discussions with the IT Department regarding changing the current TR to a receipt similar to the SAT used by ASER have already occurred. The IT Department has requested that no changes be made to the legacy system until Y2K remediation and testing have been completed. Estimated completion of this remediation is December 1999 due to outstanding bugs from Y2K conversion.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. The new system will have the ability to generate consecutive receipt numbers and retain those numbers for references and reprints. Phase I implementation is tentatively scheduled in July 2004. Phase I will only allow clerks to ring fees associated with the ASER programs. Full integration of this recommendation is scheduled in July 2005.

October 31, 2002, the Court established a Business Rules Committee to begin the preliminary stages to evaluate our existing court system and current business practices. While this is the initial stage of the reengineering process of the existing court system, consecutive receipt numbers will be addressed during the development of a revenue module.

4/26/02 Same response as 9/27/01. The system does not have the capability to retain the consecutive receipt numbers. An IT Request was submitted and preliminary stages for creating a revenue module to the existing Legacy system will begin in the Fall of 2002. The estimated completion date is dependant upon availability of IT resources.

09/27/01 See Previous. The system will now generate consecutive receipt numbers and print the numbers on the receipts, but we still do not have the capability to retain the numbers in the system. Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department:	Municipal Court
Report No.:	1999-07 Las Vegas Municipal Court

B. 2. iii Transaction Receipts

**Partially Complete
System**

Recommendation

The receipts should include evidence of the method of payment, amount paid, and change due.

Management's Plan of Action

This capability is to be included in the City's new cash receipting system now under development. The cash receipting function will be one of the first items to be completed on the new Court computer system. Time and resources are being provided to complete it within the next few months. Until then, the clerks will write this information on the receipts.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. Phase I implementation is tentatively scheduled in July 2004. Receipts associated with Phase I (ASED fees) will contain the method of payment, amount paid and change due. In July 2005, tentative implementation date for Phase II, all court receipts will contain the method of payment, amount paid and change due.

3/12/03 Current procedures for documenting the method of payment are the same as indicated in the April 26, 2002 response. Preliminary stages for creating a revenue module have begun with the establishment of the Court's Business Rules Committee. The method of payment will be addressed during the development of the revenue module.

4/26/02 The Court's Legacy system still does not have the capability to track the method of payment, amounts paid and change due. However, the Court has implemented procedures for the clerks to manually record the information on the receipt. The new revenue module to the existing Legacy system will document the method of payment, amount paid and change due on the receipts. Preliminary stages for creating a revenue module to the existing Legacy system will begin in the Fall of 2002. The estimated completion date is dependant upon availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court
Report No.: 1999-07 Las Vegas Municipal Court

B. 3. i Correspondence With Defendants

**Partially Complete
System**

Recommendation

In order to increase the effectiveness of the postcard mailings and avoid future waste in postage costs, management of the Court should work with the Information Technologies Department in making the required programming changes to ensure that the addresses being used for mailing are the most current in the System.

Management's Plan of Action

Management of the Court will work with IT in making these programming changes. We estimate that the required programming changes will be made in June 2001.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. The new case management system will have the ability to better track defendant's last known address. Existing procedures, as describe previously, will remain in effect until the new case management system is implemented. Implementation of this recommendation is expected in Phase II, which is scheduled to role out in July 2005.

3/12/03 The Court is still performing the procedures described in the April 26, 2002 response. The Court has established a committee to review the postcard mailing process. The committee's objective is to evaluate existing procedures to determine if there is a more cost efficient process for postcard mailings and that it satisfies legal mandates relative therinto.

4/26/02 Clerks have been instructed to have defendants complete a Defendant Card when they appear at CAD's front counter. The information requested on the card is the history number, defendant's name, current address, city, state, zip, home and business phone numbers and employer. The cards are forwarded to an outside vendor who completes a database file and forward it to IT. IT downloads the information into the Legacy system. An IT request (HEAT #37419) has been submitted to use the latest good address on postcard mailings. In the event that a postcard is returned, the address is flagged in Legacy as a bad address. Thus, no additional mailing is forwarded to the defendant until a new address is obtained. Management believes this is the first step in the process of obtaining the most recent address for defendants.

9/27/01 No change to response of 5/12/2000.

Update 5/12/2000: This will require an entirely new screen program, and then the staff to input the data. It is on the list of approved programming, however there is presently no start or end date defined.

Department:	Municipal Court
Report No.:	1999-07 Las Vegas Municipal Court

B. 3. ii Correspondence With Defendants

**Partially Complete
System**

Recommendation

Management of the Court should work with the Information Technologies Department in developing the capability within the Court System for recording the history of all correspondence with defendants. The history of all correspondence should be retained and accessible for review on a consolidated basis via a screen or report. Changes to the correspondence history should be restricted. Implementation of this capability within the Court System will improve the efficiency of court personnel working on individual cases and customer service.

Management's Plan of Action

Most, if not all, of the above recommendations will be implemented in the new computer system(s) in working towards a Court-wide paperless environment.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. Partial implementation of this recommendation is expected in Phase I, which is scheduled to roll out in July 2004. ASED counselors will have the ability to log all correspondence with defendants that are enrolled in ASED programs. Full implementation of this recommendation is scheduled in July 2005.

3/12/03 Effective October 31, 2002, the Court established a Business Rules Committee to begin the preliminary stages of reengineering the Court's Legacy system. The above recommendations will be addressed during the review of the document management component of the Court's system.

4/26/02 There are no changes to the previous response.

9/27/01 No change to response of 5/12/2000.

Update 5/12/2000: A mail system is on the list of approved programming application development. There is no start or end date defined.

Department:	Municipal Court
Report No.: 1999-07	Las Vegas Municipal Court

C. 1. ii Physical Security of Court

No Progress

Recommendation

Fireproof safes should be purchased by the Court to further reduce risk of loss of cash stored in safes overnight in case of fire and to comply with standards established by the Administrative Office of the Courts of the State of Nevada.

Management's Plan of Action

With the building of the Regional Justice Center underway, the Court has held off on purchasing fireproof safes due to the required cost. We believe the present safes provide adequate security, but we plan on purchasing fireproof safes for the new facility.

Follow-up Response

4/9/04 No changes to the initial response.

3/12/03 No change to 4/26/02 response.

4/26/02 No change to the response of 5/12/2000. Fireproof safes will be purchased when the Court moves to the Regional Justice Center.

9/27/01 No change to response of 5/12/2000.

Department: Municipal Court
Report No.: 1999-07 Las Vegas Municipal Court

C. 2. iii User Passwords For Court System

**Partially Complete
System**

Recommendation

System access logs should be created and reviewed periodically by management for unusual access attempts.

Management's Plan of Action

In designing the new Court system, system access logs will be requested and procedures implemented for their review.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. The new case management system will have the ability to track user access and unusual access attempts. Implementation of this recommendation is expected in Phase I of the new system. Phase I implementation is scheduled in July 2004.

3/12/03 Preliminary stages for reengineering the system have begun. This recommendation will be addressed during the system access review.

4/26/02 Completion of this recommendation is pending upon the reengineering of the existing Legacy system. Preliminary stages for reengineering the system will begin in the Fall of 2002. The estimated completion date is dependent upon the availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existion Legacy system, or the acquisition of the new case management system.

Department:	Municipal Court
Report No.:	1999-07 Las Vegas Municipal Court

**C. 3. ii Court System Record Change
Access and Monitoring**

**Partially Complete
System**

Recommendation

User-friendly audit trail reports should be created and generated daily from the Court System for review of significant and unusual transactions (see further discussion of audit trail reports at section D1).

Management's Plan of Action

Court management is looking into developing improved audit trail reports detailing voids, changes, additions, and adjustments on both revenue and non-revenue terminals. Once such reports are developed, procedures will be implemented for reviewing the reports for significant or unusual transactions.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. The new case management system will contain user-friendly audit trail reports as suggested. Implementation of this recommendation is expected in Phase I of the new system. Phase I implementation is scheduled in July 2004.

3/12/03 The preliminary stages for reengineering the system have begun. This recommendation will be considered during the review of system reports and audit trails.

4/26/02 Completion of this recommendation is pending upon reengineering the existing Legacy system. Preliminary stages for reengineering the system will begin in the Fall of 2002. The estimated completion date is dependant upon availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department:	Municipal Court
Report No.: 1999-07	Las Vegas Municipal Court

C. 4. ii Limits On Cash In Drawers

**Partially Complete
System**

Recommendation

The Court System should be improved to allow clerks to determine how much cash they have collected.

Management's Plan of Action

Management will look into the possibility of the legacy computer system keeping track of and indicating the amount of cash in each drawer.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. The ability to track the amount of cash collected will exist in the new case management system. Implementation of this recommendation is expected in Phase I of the new system and will only be applicable to those transactions containing ASSED fees. Phase I implementation is scheduled in July 2004. This recommendation will be applicable to all court transactions in July 2005, expected implementation date for Phase II of the new case management system.

3/12/03 No change from April 26, 2002 response. This recommendation will be considered during the system review process.

4/26/02 The current system does not provide cash receipt detail; however, the Court has implemented a cash drawer reduction procedure. The procedure requires clerks to perform multiple deposits in a day. Thus, minimizing the risk of losses. An IT request (HEAT #37423) has been submitted to address this recommendation. The estimated completion date is dependant upon availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department:	Municipal Court
Report No.: 1999-07	Las Vegas Municipal Court

D. 1. Audit Trail Reports and Monitoring	Partially Complete System
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Recommendation

While limited measures have been taken by the Court to monitor deletions, voids, corrections and additions, Court management is in need of a consolidated, user-friendly audit trail report which can be used for daily review of these transactions. Once such a report is designed, procedures should be implemented to have personnel of the Court Accounting Unit review the report on a daily basis for significant or unusual transactions.

Management's Plan of Action

Court management is looking into developing improved audit trail reports detailing voids, changes, additions, and adjustments on both revenue and non-revenue terminals. Once such reports are developed, procedures will be implemented for reviewing the reports for significant or unusual transactions. We anticipate developing these improved reports by June 2001.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. The new case management system will not allow deletions and voids; however, it will permit corrections. The new system will contain user-friendly audit trail reports as suggested. Implementation of this recommendation is expected in Phase I of the new system and will only be applicable to those transactions containing ASSED fees. Phase I implementation is scheduled in July 2004. This recommendation will be applicable to all court transactions in July 2005, expected implementation date for Phase II of the new case management system.

3/12/03 Primary stages for reengineering the system have begun. This recommendation will be considered during the review of system reports and audit trails.

4/26/02 No change from the previous response.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department:	Municipal Court
Report No.: 1999-07	Las Vegas Municipal Court

D. 2. Bail Register Report Errors

**Partially Complete
System**

Recommendation

Court management should further investigate the errors within the Bail Register and procedures should be implemented to identify and monitor these errors in a more timely manner until the programming errors can be corrected. Court management should work with IT in addressing these issues.

Management's Plan of Action

The Court has looked into these differences and has pinpointed the problems. The problems must be corrected through computer programming. We will continue to work with IT to correct them and in the meantime continue to manually research and correct the errors.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. The new case management system will provide us with additional reports and research tools to correct problems with bail. Implementation of this recommendation is expected in Phase II of the new system, which is scheduled to roll out in July 2005.

3/12/03 No change from previous response.

4/26/02 No change from the previous response. The Accounting Unit is reconciling the bail account on a monthly basis and provides the City's Finance office with an adjusting journal entry.

9/27/01 There has been some improvement in the computer system to address these problems, but not all have yet been corrected. The accounting unit is reconciling the bail on a monthly basis and is receiving journal entries from the City Finance office to make corrections. Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court

Report No.: 2300-0001-03 Special Report: Municipal Court Mail Unit

7. Municipal Court Mail Unit

**Partially Complete
System**

Recommendation

The Court should continue to work with Information Technology in improving its system to include at a minimum 1) identification of the nature of payments, 2) printing of the change amount on receipts, and 3) suspension of processing of transactions while a cash drawer is open.

Management's Plan of Action

Court staff looked into an allegation by a customer that he had made a payment by money order that was not credited towards his outstanding case balance. He sent a copy of the canceled money order, verifying that the Court had deposited it. When this type of incident occurs, the Court performs a preliminary check, and if an explanation cannot be determined and it looks suspicious, it is referred to the City's internal auditors to investigate. The audit review made the determination that there was evidence of theft in this incident but culpability could not be unequivocally assigned due to significant internal control weakness. Since the July 1999 incident, the Municipal Court has initiated the following measures to improve cash handling controls:

- A written "Cash Handling Procedures" manual has been distributed to all staff, supervisors and managers who are involved in receiving payments or requesting payment disbursements. When an employee receives a manual, he/she must sign an agreement stating that he/she will follow the procedures as they pertain to his/her cash handling duties. The "Cash Handling Procedures" are based on the "Minimum Accounting Standards" requirements provided by the State Supreme Court and other Federal, State, local and GAFR standards. The procedures will help to resolve weaknesses that are mentioned in the audit by ensuring that staff members are trained, have written guidelines and understand and follow proper procedures.
- There are automated controls needed in the Court's automated case management system that are being requested in a new system package that is being researched.
- The handwritten mail log is being reviewed and tested periodically by the accounting unit. A computerized mail logging system is being developed which will facilitate tracking and retrieving payment information. The computerized log will also provide the ability of reconciling the mailed in payments with the bank deposits and ensure that all payments are accounted for. The mail log is a very important control measure. It must be complete, legible, accurate, and provide a trail to establish proof of payment in lieu of sending a receipt to the customer. The customer may also request that a proof of payment receipt be mailed when the payment has been received.

Department: Municipal Court

Report No.: 2300-0001-03 Special Report: Municipal Court Mail Unit

- Notices are posted emphasizing the right of the customer to receive a receipt when he/she makes a payment. This is an important control measure to ensure that when payments are received, the customer can see that it has been posted correctly to his/her case.
- The use of surveillance cameras has been used for the past few years. This control measure will be further enhanced and monitored more closely.
- The outside auditors performed an unannounced cash count. The Court accounting unit will continue to routinely perform surprise cash counts and audits as a means of reviewing cash handling procedural compliance and detecting any improprieties.
- A log of suspicious activity is being maintained. Managers are provided with a monthly log of overage and shortage and are immediately notified of any large or unusual discrepancies.
- Separation of duties has been accomplished to the extent possible in the space available. When a staff member is absent, substitute clerks must log and enter the receipts in order to keep the process moving. For the most part, one employee logs and another enters the payments into the system.

Follow-up Response

4/9/04 Effective September 2003, the Court began the development of its new case management system. The project consists of two phases, Phase I is the Alternative Sentencing and Education Module and Phase II is the Court Processing Module. Phase I implementation is tentatively scheduled in July 2004. The new case management system will track the nature of payments, print the change amount on receipts and suspend the processing of transactions while a cash drawer is open as suggested in the auditor's recommendation. In July 2005, tentative implementation date for Phase II, all court transactions will be tracked as suggested.

3/12/03 Preliminary stages for reengineering the Court system have begun. This recommendation will be considered during the design of the revenue module.

4/26/02 Completion of the recommendations is pending of a revenue module to the existing Legacy system and the availability of IT resources. Preliminary stages for creating a revenue module to the existing Legacy system will begin in the Fall of 2002.

FY 02-03 Annual Audit Recommendation Follow-up

Report No. CAO 2600-0304-05

June 29, 2004

Department: Public Works

**Report No.: 1502-0001-05 Audit of Las Vegas Area Computer Traffic System
(LVACTS)**

A. 1. 2. Performance Evaluation

Partially Complete

Recommendation

As required by the interlocal agreement, the OMC should file an annual performance report to the participating agencies.

Management's Plan of Action

The accumulated data discussed in the previous section (1.1.) will help the LVACTS organization and the OMC file an annual performance report to the participating agencies. As an appointee of the Committee, the LVACTS manager should be the drafter of this document, and submit it to the OMC for approval. Some of the information that will be part of this annual report will be as a result of a new idea proposed by the current LVACTS Manager. If the Committee is so inclined, he will be scheduling a "Technical Review Meeting" every three to six months. During these meetings, all member agencies will have technical staff present, and will discuss any timing modifications made to the coordination parameters of any devices within the system, as well as the reason for the change. Also, at this time, any future projects will be discussed or considered. All agencies will be able to provide input to LVACTS, and LVACTS staff will be able to explain the reasons for their decisions. This will be a casual, technical meeting, in a cooperative environment, and the discussion will be recorded in document form for all of the member agencies to read; the annual report can be formulated from this information.

Follow-up Response

4/30/04 Information is updated to the OMC regarding Performance Measures continually at each monthly Operations Management Committee Meeting, and has been combined into an annual report and delivered to each agency upon request. This is an ongoing process.

3/08/03 This is an ongoing process, and will continue as part of the OMC budget preparation process as additional data is collected.

4/22/02 The data acquired in the previous section will be used for this purpose. It is scheduled to be completed for FY '01-'02 at the end of June 2002.

Department: Public Works
Report No.: 1502-0001-05 Audit of Las Vegas Area Computer Traffic System
(LVACTS)

A. 6. 2. Training

Partially Complete

Recommendation

LVACTS management should create job responsibility and procedure manuals and establish a cross-training program to limit their exposure to loss of knowledge with employee turnover.

Management's Plan of Action

Cross training is a great idea, and will be pursued to the level that is possible by current management. As the sophistication of the system increases, so does the complexity of assignments required by staff. In turn, specialization within one's responsibilities becomes more of a reality. This is not to say that we cannot cross train individuals, but due to the diverse backgrounds needed to perform specific functions, it may only be to a certain level.

Nonetheless, when an individual in the organization approaches us and expresses a desire to "cross train" in another position, we do what we can to accommodate them. This interest by staff members is demonstrated by stating it in their Career Development Action Plan (CDAP). We must verify that they have the appropriate training, education, and background (i.e. clerical to clerical, technical to technical, managerial to managerial), and only then we can move forward. Limited cross training is appropriate and desirable, but caution must be used that in the process we do not "work someone outside their classification," for that could be construed as a contract violation with the binding City Employees Association (CEA) agreement, and this action is not acceptable by the OMC, or current LVACTS management.

As for the suggestion of developing job responsibility guidelines, these are being developed along with a general reorganization of LVACTS approved by the OMC last year. In conjunction with this reorganization, we are reviewing all duties performed by staff at the TMC, and working with Human Resources in developing appropriate job descriptions. Much of the technology has changed, and even more change is to come, as the new system undergoes final acceptance. These changes require a realignment of duties by all staff members, and this process is a work in progress. This entire process will take at least another year to fully complete, but will be well worth the effort to help the organization acquire the appropriate personnel in future hiring decisions.

After this realignment process is complete, all staff members will assist management in developing procedure manuals in relation to their jobs. These will then be compiled by management into a portfolio, and made available for use by employees that may follow. As the system evolves, so will these manuals, thus these will never be completely done.

FY 02-03 Annual Audit Recommendation Follow-up

Report No. CAO 2600-0304-05

June 29, 2004

Department: Public Works

**Report No.: 1502-0001-05 Audit of Las Vegas Area Computer Traffic System
(LVACTS)**

Follow-up Response

4/30/04 This is an ongoing process.

3/08/03 This is an ongoing process, that will never "be complete" as the organization evolves into the Freeway and Arterial System of Transportation (FAST). Accordingly, LVACTS and the OMC will continue to work on the internal cross-training program, and the development of SOP manuals.

4/22/02 This has been, and will continue to be, a priority to the OMC and the current LVACTS Manager. The O & M Manual currently being developed that was discussed an earlier section will help the organization achieve this goal.